

which monitors sites designated by international treaty as having "universal value to mankind." Citing the mine project, among other threats, the committee added Yellowstone to its list of "World Heritage in Danger."

To drum up support, Crown Butte hired as a consultant Birch Bayh, a former United States Senator with a record as an environmentalist. The largest investor in Crown Butte is Noranda Inc., Canada's largest natural resources company, which is controlled by the Toronto financiers Edward and Peter Bronfman.

The debate here speaks of larger tensions between mining and recreation in the state. "Mining is an anachronism now—the town has become dependent on Yellowstone for its livelihood," said Jim Barrett, a local carpenter who is chairman of the Beartooth Alliance, a local environmental group that opposes the mine. "To plop this huge industrial complex into here would not only disrupt our lives, but would have serious environmental consequences."

Some people think the mine would mar tourism for a town that has four campgrounds, three hunting outfitters, three snowmobile rental companies and 15 hotels, motels and bed and breakfasts. But at Joan and Bill's Family Restaurant on Main Street, a patron, Lyle Hendricks, said the \$100 million mining investment would outweigh any harm to tourism. "People worry about the stress of losing a job when the mine plays out in 20 years," said Mr. Hendricks, a bearded man who builds steel Quonset huts here. "What about the stress of not having a job now?"

After Mr. Hendricks left, the waitress, Jennifer Mullee, 20, commented, "In 10 years, the mining company will be gone, and the land will be destroyed for our children."

Opinion surveys of Montana adults indicate that women oppose mining by far greater margins than men.

Mine supporters like the saloon keeper, Mr. Wicker, say other mines have proved safe. In Jardine, Mont., he said, an underground gold mine has burrowed to "within yards" of the Yellowstone Park with no ill result.

A fifth generation Montanan and a mining engineer by training, Mr. Wicker dismissed the mine's opponents as "flatlanders, people from Nebraska." "Everyone who gets here says, 'I'm the last person here, I've got my little piece of Montana,'" said Mr. Wicker, who plans to open a poker room and expand his saloon hours if the mine is approved.

Cooke City is a far cry from the 19th century gold rush days when 5,000 raucous miners packed the town.

For half the year, the only way to get to Cody, Wyo., the nearest large city, about 40 miles away, is to travel by snowmobile over Colter Pass. A year-round mining operation would keep the road to Cody plowed.

Mining officials promise to leave local creek water cleaner than when they found it. As a legacy of past mines, sections of local streams still run rust red from acid drainage.

"We can still use some of the money made from the mine to clean up the area, to backfill the old mine sites," Joseph J. Baylls, president of Crown Butte, said in a telephone interview from Toronto. "At the end of the day, it will be better than today."

But experience has left many Montanans skeptical of mining companies. "In 20 years, the town will boom and bust, just like Butte," said Matt Schneider, the Mining Saloon's 22-year-old antiminer bartender.

Long fabled as "The Richest Hill on Earth," the gold and copper deposits of Butte, Mont., petered out in recent decades, leaving a legacy of pollution and unemployment. The Atlantic Richfield Company in-

herited much responsibility for the environmental mess in 1983 when it bought the principal Butte operator, the Anaconda Minerals Company.

In October, in a move that reflected Montana's tougher stand towards mining companies, the State Justice Department sent Arco a cleanup bill of \$713 million.

Mr. BUMPERS. Mr. President, I wonder if the Senator from Kansas is prepared, or does she need a little additional time to get ready?

Mrs. KASSEBAUM. Mr. President, I am ready to go and, rather than call for a quorum, will get started on some comments that I would like to make.

The PRESIDING OFFICER. The Senator from Kansas.

The Chair informs the Senator that there are 4 minutes remaining under the control of the majority in morning business.

#### HEALTH INSURANCE REFORM

Mrs. KASSEBAUM. Mr. President, I would like to offer just a few observations on comments that were made by President Clinton in his State of the Union speech the other evening regarding health insurance reform. I was pleased that President Clinton mentioned it, because I think it is a subject of great importance to us.

As we debate the future of the Medicare and Medicaid programs, American families are growing increasingly anxious about the availability, portability, and cost of their own private health coverage.

While the comprehensive health reform debate ended well over a year ago, the American people continue to rank health reform as a priority and health care as a top concern. A poll conducted late last year by Princeton Survey Research Associates found that more Americans are concerned about their own health coverage than crime, high taxes, the "political system," and the economy. Both the Princeton poll and a Times Mirror poll also found that health care topped the list of issues Americans most want the Presidential candidates to address.

The health insurance problem is not merely one of perception. The number of uninsured and underinsured Americans continues to climb:

First, there are now over 40 million Americans without health insurance.

Second, over 1 million working Americans have lost health insurance in the last 2 years alone.

Third, and, over 80 million Americans have preexisting conditions that could make it difficult for them to maintain health coverage when they change jobs.

Mr. President, Congress has the opportunity this year to address middle-class Americans' concerns about the diminishing availability, portability, and affordability of health coverage in a bipartisan way.

A health insurance reform bill proposed by myself and Senator KENNEDY, S. 1028, passed the Senate Labor and Human Resources Committee unani-

mously last August and now awaits action on the Senate Calendar. Similar measures are pending in the House of Representatives, including a companion bill introduced by Representative ROUKEMA of New Jersey.

Through sensible, market-based reforms, the Health Insurance Reform Act would:

First, limit the ability of insurers and employers to impose preexisting condition exclusions;

Second, prevent insurers from dropping coverage when an individual changes jobs or a family member becomes ill; and

Third, help small companies gain more purchasing clout in the market.

The General Accounting Office estimates that the Health Insurance Reform Act would help at least 25 million Americans each year, and the Congressional Budget Office predicts that it would do so without any cost to American taxpayers.

#### SUPPORT FOR THE HEALTH REFORM ACT

The Health Insurance Reform Act enjoys broad support. It passed the Labor and Human Resources by a 16 to 0 vote and has attracted 40 cosponsors—20 Republicans and 20 Democrats—from across the political spectrum. Moreover, it has been endorsed by a wide range of outside organizations, including the National Governors' Association, the National Association of State Insurance Commissioners, the Consortium for Citizens with Disabilities, Small Business United, the National Association of Manufacturers, the U.S. Chamber of Commerce, and the American Medical Association.

I believe the legislation has achieved broad consensus for two main reasons.

First, it is narrowly focused. It does not contain employer mandates, mandatory purchasing alliances, new taxes or new bureaucracies. It does not remake the private health care system in the image of the United States Post Office. Instead, the legislation focuses only on those areas where broad, bipartisan agreement existed during the health care debate in the 104th Congress and where State insurance reforms have demonstrated the ability to work.

Second, the legislation was crafted with significant input from consumers, insurers, businesses, hospitals, and doctors. It is carefully attuned to the rapidly changing private health care market. As the U.S. Chamber of Commerce and other employers said in a recent letter, the Health Insurance Reform Act would:

\* \* \* improve health coverage for tens of millions of American workers and their families \* \* \* through carefully designed rules that are workable for employers who voluntarily sponsor health plans and for their employees.

#### RESPONSE TO CONCERNS

The Health Insurance Reform Act is not without some detractors. We have worked closely with the health insurance industry, and insurers generally support the bill. For example, Blue-Cross

Blue-Shield and the Health Insurance Association of America submitted testimony in favor of the vast majority of the bill's provisions. However, some continue to raise concerns about one provision of the legislation that is designed to help individuals and families who have played by the rules maintain health coverage if they lose their job or leave a job to work for an employer that does not offer coverage.

I believe, however, that this provision strikes a careful balance between the need to provide consumers some access to individual coverage and the need to protect the fragile individual insurance market.

The Health Insurance Reform Act would provide access to individual insurance only for those who have maintained prior continuous coverage under an employer-sponsored health plan for at least 1½ years, who have exhausted their COBRA benefits, and who are ineligible for coverage are under another group policy.

Moreover, S. 1028 contains no restrictions on premiums, and it leaves broader reforms—such as guaranteed issue for individuals who have not had prior coverage, guaranteed issue for the self-employed, and portability between individual health plans—to the States. As a result, the bill requires individuals to pay into the system for years before being able to gain access to health coverage.

This group-to-individual portability provision is not far-reaching. It is limited precisely to avoid potential premium increases and adverse selection problems that could result from broader individual market reforms. Testimony and analysis by the National Association of Insurance Commissioners and others has confirmed that this narrow provision is unlikely to have a significant impact on the cost of health coverage in the individual market. The most recent estimates from the American Academy of Actuaries show that this provision would likely affect premiums by only 2 to 3 percent.

It is true that some insurers who now thrive by refusing to cover those in poor health may be unable to survive in a market characterized by competition based on quality, price, and service. In States like New Hampshire, Vermont, and California that have enacted targeted insurance market reforms like those in the Health Insurance Reform Act, some insurers have left the market—but others have replaced them, competition has flourished, rates have come down, and consumers have benefited.

I do share the belief that State high-risk pools are one important way of providing access to insurance for certain individuals. That is why S. 1028 expressly provides that if a State has adopted, or adopts in the future, a high-risk pool or other means of allowing individuals to maintain health coverage, that State law or program will apply in lieu of the group-to-individual portability provision contained in the

bill. Instead of preempting State reforms that are working or prescribing a one-size-fits-all solution from Washington, S. 1028 allows each State to fashion individual market solutions that are appropriate for individuals in that State. This is one of the main reasons that both the NGA and the NAIC support the bill.

Another argument that is sometimes made is that insurance reform should be left entirely to the States. This argument also ignores reality.

While 48 States have enacted insurance reforms targeted to small companies, over 70 percent of workers with health coverage work for firms with more than 100 employees. Moreover, the States are prevented by the broad preemption provisions of the Employee Retirement Income Security Act from providing portability to workers who receive health benefits through self-insured, employer-sponsored health plans. I believe strongly that we should retain ERISA preemption. But as we do, we must recognize that the vast majority of American workers cannot carry their insurance from one job to the next unless we enact portability reforms on the Federal level.

#### IT IS TIME TO MOVE FORWARD

Mr. President, I think we all know people in our own States who would be helped tremendously by this legislation. For nearly a decade, however, Congress has been unsuccessful in attempts to pass health insurance reform legislation. We now have a historic opportunity to move forward. And I believe we should seize that opportunity.

Last Congress, Republicans and the American people rejected the administration's comprehensive health reform proposal. Instead, every one of us signed onto market-based health reform legislation that was more ambitious in almost every respect than the Health Insurance Reform Act.

Now, the President of the United States has endorsed our approach. And Senator KENNEDY and other Democrats should be commended for working with us to make positive change a reality, without letting the perfect become the enemy of the good.

While the political dynamic clearly has changed, I believe strongly that Republicans' commitment to moving forward with common sense, market-based health reform legislation should not.

I want to make clear to all of my colleagues that I, for one, am absolutely committed to passing health insurance reform legislation this year—either as a freestanding bill or as an amendment to another vehicle.

The Health Insurance Reform Act does not strike out in a bold, new direction. But it is a very positive step forward that will reduce barriers to health coverage for millions of working Americans. It is also an opportunity to demonstrate to the American people that Republicans and Democrats can work together to address their most serious concerns about the health care

system. I believe we should start by passing this legislation at the earliest possible opportunity.

I yield the floor, Mr. President.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself 10 minutes.

I again congratulate Senator KASSEBAUM for her leadership on this extremely important issue which can make an extraordinary difference to the quality of life of millions of Americans who are, as she described, playing by the rules, working hard, trying to participate in the workplace, and also trying to fulfill some of their hopes and dreams for the future.

As Senator KASSEBAUM has pointed out, our committee, as well as other committees, dealt with the broad issue of health care for all Americans in the last Congress. We were unable to pass that legislation. But during the consideration of our committee, we had some 10 days of markup, which virtually every Member, Democrat and Republican, attended. Those were long days which began early in the morning, at 8 or 9 o'clock, and went sometimes until 8 to 10 in the evening with brief recesses. Our committee delved into the various features of the health care debate. I thought we reached some important agreements on a number of those different measures, but there were areas of difference and we were unable to secure the kind of comprehensive coverage which I basically support. At some other time, hopefully, we will have another chance to address it.

During that period of time, Senator KASSEBAUM provided great leadership by expressing her concern and also her commitment to try to address one of the particular challenges in health care coverage that remains out there and works such an extraordinary hardship on millions of Americans—lack of guaranteed health insurance.

Millions of working Americans develop some preexisting condition and, under the current system, often are individually dropped from their health insurance. Or if they are working in a small company, the company's health care costs go up enormously if they try to maintain their coverage, or otherwise all of the members, through no fault of their own or no fault of this individual, lose that coverage.

Or the individual who works hard and has an opportunity to obtain a job, maybe move up on the economic ladder, faces a circumstance where the new opportunity will not provide health care coverage. This individual is effectively in a position of job lock and is denied that opportunity again because of some preexisting condition or some ailment or some disability which is no fault of their own.

As the Senator from Kansas has pointed out, those individuals exist in the small towns and communities, rural areas, as well as cities in her own State of Kansas. And they exist in my State of Massachusetts.

Throughout this last year, very quietly, conscientiously, and deliberately, Senator KASSEBAUM reached out, as she mentioned, to the consumers, to the health care profession, to the business community, to others, including the insurance industry, to try and fashion legislation that could address one of the most egregious and serious aspects of the health care crisis that we are facing.

After a very thorough examination of this issue and listening to a broad range of interested individuals, as well as different groups, she fashioned this legislation, and I enjoyed the opportunity to work closely with her and her staff to introduce this legislation. This legislation takes into consideration a number of the points that were raised during the course of the hearings and a number of points that were raised by Members of our committee. Then, in really a very special way, Senator KASSEBAUM was able to gain virtually the unanimous consent of all of the members of the committee, all 16 members of our Labor and Human Resources Committee supported that legislation.

When we look today at some of the divisiveness which exists in the course of our legislative agenda, it always continues to impress me about the willingness of those members and the various groups that they represent to come together to try and address something which has such important meaning to millions of our fellow citizens. And that is what was done. The best of the ideas that were raised and the hearings were incorporated, some of the concerns were addressed, and out of the legislative process came an even stronger bill than was even introduced by Senator KASSEBAUM and myself. And this legislation has been reported out of committee and has been on the agenda for some period of time now.

During the course of many months we have had the opportunity to talk, and talk together, about what the possibilities were of getting to present this to the Senate, to urge our colleagues to support this, as well as to try to get our friends and colleagues in the House to address this issue. And the time is moving along.

We are not here today to try and point the finger at individuals or groups or constituencies that have resisted the opportunities to bring this up and consider the legislation. But what we are basically indicating today is that the kind of response we have all received on this issue is Republican and Democrat alike. The 40 cosponsors reflect 20 Democrats and 20 Republicans with wide, diverse, different philosophical viewpoints. When we are able to gain that kind of confidence from our colleagues after they have had a chance to study the legislation, it is worthwhile for this body to consider the legislation, to consider any amendments that are directed toward the legislation, and then to move the process forward.

I hope that we would have that opportunity in a timely way. I think those of us who have supported the legislation believe that even though there may be differences with Members on different items that are not directly related to this, that we can as an institution address this and see a successful conclusion of the legislation.

This is a modest program but a very important one. I underline both those words. It does not do the comprehensive job that many of us would like to do, but it will make an enormous difference in the quality of life for millions—and I mean millions—of young and old alike. This legislation will enable more people to live a life in our society where they participate and pay their fair share of premiums for their coverage in exchange for at least some degree of security in knowing that they will have health insurance to provide some protection against financial devastation.

In terms of their health care situation, they will still, as individuals, endure the anguish and the pain that comes from many physical and mental challenges which they may face. They will have that for the rest of their lives. We cannot pass any legislation to deal with that. But with this legislation, they will know that they will be able to at least obtain decent, quality health care and that they will not put in debt the members of their families and their loved ones with the extraordinary kinds of costs that may be attendant to the treatment of some of the illness and sickness.

That kind of relief from the anxiety and the anguish for our fellow citizens is enormously important. It does not show up on the bottom line of the expenditure column. But what it does do is it makes an extraordinary difference to our fellow citizens.

So, Mr. President, I welcome the opportunity to join with Senator KASSEBAUM and urge that we consider this legislation. I know from talking with her that we are prepared to do this in a timely way. We can enter into various agreements so that individuals who have special interests or concerns can make sure that they have a full opportunity for debate and consideration of these views, and then let the Senate work its will.

This is an extraordinary piece of legislation which includes the support of the chamber of commerce, the National Small Business United, the National Association of Manufacturers, the ERISA Industry Committee, the Association of Private Pension and Welfare Plans, and the National Governors' Association, the National Association of State Insurance Commissioners, the insurance companies in the Alliance for Managed Care, the American Medical Association, and the Consortium for Citizens with Disabilities. In fact, the only opposition comes from those who really profit from the abuses in the current system.

So, Mr. President, in the State of the Union Address, the President chal-

lenged Congress to pass this legislation. We are aware that there are some Senators who place these, what we call, "holds" on a bill in an attempt to kill it. They know if the legislation is brought to the floor of the Senate, it will pass overwhelmingly.

The only thing blocking action is the scheduling of the floor debate. So I join Senator KASSEBAUM in urging our leader to bring this to the floor. We welcome the opportunity to cooperate with him. With his responsibilities as the majority leader in scheduling different measures, we are glad to work out whatever agreement that is necessary. We are glad to speak to our colleagues. But we do think that it is time that we address this legislation. It is time to break the logjam. The American people deserve action, and they deserve it now.

Just finally, Mr. President—and then I will yield what remaining time we have on this side to the Senator from Texas—I hope that we might be able, as Senator KASSEBAUM has stated previously, to consider this legislation in a forum where we can have the focus and attention on this legislation.

The majority leader was extremely gracious in working out our job training program, which basically reorganizes the total training programs, involving billions and billions of dollars, and provides a reduction in total funding. But we worked that out in a matter of just hours, again, in a strong bipartisan way, after reporting the legislation out of our committee. I believe that in somewhat less than 8 or 10 hours, we were able to consider a few amendments and then take action.

With the kind of support we have for this, I think we can do it in a similar timeframe, although we are not interested in cutting off any legislation. But I hope that if we are not able to work that through, at least we would have an opportunity to raise this issue in the foreseeable future, if not as an independent measure, at least as an amendment to another piece of legislation. I agree with Senator KASSEBAUM that that would be a less desirable way to proceed, but I think we may be forced into that kind of situation.

This year Congress has the opportunity to end many of the most serious health insurance abuses that victimize millions of Americans every year. It is an opportunity we cannot afford to miss.

These abuses create endless unnecessary suffering. Millions of Americans are forced to pass up opportunities to accept jobs that would improve their standard of living or offer them greater opportunities because they are afraid they will lose their health insurance if they leave their current jobs. Many others have to abandon the goal of starting their own business, because insurance will be unavailable or unaffordable. Still others lose their health insurance because they become sick, or lose their job, or change their job—even when they have faithfully

paid their insurance premiums for many years.

The private health insurance market in the United States is deeply flawed. More than half of all insurance policies impose exclusions for preexisting conditions. As a result, insurance is often denied for the very illnesses most likely to require medical care. The purpose of such exclusions is reasonable—to prevent people from gaming the system by purchasing coverage only when they get sick. But current practices are indefensible. No matter how faithfully people pay their premiums, they often have to start again with a new exclusion period if they change jobs or lose their coverage.

Eighty-one million Americans have conditions that could subject them to such exclusions if they lose their current coverage. Sometimes, the exclusions make them completely uninsurable.

Not only do insurers impose exclusions for preexisting conditions on people who do not deserve to be excluded from the coverage they need, they can deny coverage to entire firms if one employee of the firm is in poor health. Sometimes, entire categories of businesses, with millions of employees, are redlined out of coverage. Even if a firm is in an acceptable category, coverage may be denied if someone in the firm—or a member of their family—is in poor health.

Even if people are fortunate enough to gain coverage and have no preexisting condition, their coverage can be canceled if they have the misfortune to become sick—even after paying premiums for years.

One consequence of the current system is job lock. Workers who want to change jobs to improve their careers or provide a better standard of living for their families must give up the opportunity because it means losing their health insurance. A quarter of all American workers say they are forced to stay in a job they otherwise would have left, because they are afraid of losing their health insurance.

I am proud to have joined Senator KASSEBAUM in introducing legislation that will address these problems effectively. The Kassebaum-Kennedy Health Insurance Reform Act is a health insurance bill of rights for every American and for every business as well.

The legislation contains many of the provisions from the 1994 health reform debate which received broad bipartisan support—such as increased access to health insurance, increased portability, protection of health benefits for those who lose their jobs or want to start their own business, and greater purchasing power for individuals and small businesses.

Those who have insurance deserve the security of knowing that their coverage cannot be canceled, especially when they need it the most. They deserve the security of knowing that, if they pay their insurance premiums for years, they cannot be denied coverage

or be subjected to a new exclusion for a preexisting condition because they change jobs and join another group policy, or because they need to purchase coverage in the individual market. Business—especially small businesses—deserve the right to purchase health insurance for their employees at a reasonable price.

Our Health Insurance Reform Act addresses these fundamental flaws in the private insurance system. The bill limits the ability of insurance companies to impose exclusions for preexisting conditions. Under the legislation, no such exclusion can last for more than 12 months. Once someone has been covered for 12 months, no new exclusion can be imposed as long as there is no gap in coverage—even if someone changes jobs, loses their job, or changes insurance companies.

The bill requires insurers to sell and renew group health policies for all employers who want coverage for their employees. It guarantees renewability of individual policies. It prohibits insurers from denying insurance to those moving from group coverage to individual coverage. It prohibits group health plans from excluding any employee based on health status.

The portability provisions of the bill mean that individuals with coverage under a group health plan will not be locked into their job for fear that they will be denied coverage or face a new exclusive for a preexisting condition. The portability provisions will benefit at least 25 million Americans annually, according to the General Accounting Office. In addition, these provisions will provide greater security for the 131 million Americans currently covered under group health plans.

The bill will also help small businesses provide better and less expensive coverage for their employees. Purchasing cooperatives will enable small groups and individuals to join together to negotiate better rates in the market. As a result, they can obtain the kind of clout in the marketplace currently available only to large employers.

The bill also provides great flexibility for States to meet the objective of access to affordable health care for individuals who leave their group health plans.

During the debate on health reform in the last Congress, even the opponents of comprehensive reform urged Congress to pass at least the reforms that everyone supported—portability of coverage, guaranteed availability of coverage, and limitations on exclusion for preexisting conditions. These are exactly the provisions included in this bill.

The Health Insurance Reform Act is a modest, responsible, bipartisan solution to many of the most obvious abuses in the health insurance market place today. The bill was approved by the Senate Labor and Human Resources Committee last August by a unanimous vote of 16 to 0. It is now co-

sponsored by 40 Senators—20 Republicans and 20 Democrats. It is similar to proposals made by President Clinton in his recent balanced budget plan.

The measures it includes are also virtually identical to provisions of legislation offered by Senator DOLE in the last Congress. Sponsors range from the most conservative Members of the Senate to the most liberal—because these reforms represent simple justice. They are not issues of ideology or partisanship.

Support for the bill by outside groups is equally broad. Those who have expressed their support for the legislation include the Chamber of Commerce, National Small Business United, the National Association of Manufacturers, the ERISA Industry Committee, the Association of Private Pension and Welfare Plans, the National Governors' Association, the National Association of State Insurance Commissioners, the insurance companies in the Alliance for Managed Care, the American Medical Association, and the Consortium for Citizens with Disabilities.

In fact, the only opposition to this legislation comes from those who profit from the abuses in the current system.

In his State of the Union address, President Clinton challenged Congress to pass this bill. A few Senators have placed secret holds on the bill in an attempt to kill it. They know that if the legislation is brought to the floor of the Senate, it will pass overwhelmingly. The only thing blocking action is the scheduling of the floor debate.

So I join Senator KASSEBAUM in urging Majority Leader DOLE to bring this bill to the floor. It is time to break the log jam. The American people deserve action—and they deserve it now.

Mr. President, I yield whatever time remains to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas has 10 minutes.

Mrs. HUTCHISON. Thank you, Mr. President.

#### BALANCED BUDGET

Mrs. HUTCHISON. Mr. President, I thank the Senator from Massachusetts for yielding the rest of his time, because I want to talk about the very important issue that I think all Americans are looking at right now, and that is the balanced budget and what is going to happen here and what will be the result after we finish the negotiations.

The great philosopher, Yogi Berra, once said, "When you come to a fork in the road, take it."

We are at a fork in the road in this country, and I think the American people are beginning to see how very difficult it is when you have a President and Congress on very different tracks, on very different tracks about what they believe is the right course for our country.

We in Congress believe that we must change the direction of our country,