

Nearly two in three of these children have parents who are employed full time during the entire year. Two-thirds of these children live in families with income above the poverty line and more than three in five live in two-parent families.

Most children without health care coverage are in that position because their parents work for companies who have cut health coverage for children or who offer no health coverage at all. Each year since 1989, 900,000 fewer children have received private health insurance coverage. In other words, every 35 seconds one less child is privately insured.

Without private insurance, millions of working parents who labor to support their families cannot afford to provide health coverage for their children. The cost of health insurance when not purchased through an employer is often prohibitive. So while Medicaid helps our poorest children, and more-affluent families can afford private coverage, millions of working parents in the middle cannot provide coverage for their children.

Insurance coverage is critical to the health of our children. Children without health insurance coverage often do not receive necessary treatment services or even the most basic care. Medical expenses are sufficiently high that financially burdened parents will often delay or forgo needed pediatric preventative or medical care.

Some examples—studies have shown that the majority of uninsured children with asthma never see a doctor. Many of these asthmatic children are later hospitalized with problems that could have been averted with earlier intervention. One-third of uninsured children with recurrent ear infections do not see the doctor and some later develop permanent hearing loss. Many children with undiagnosed vision problems cannot even read a blackboard. Finally, studies show that children without insurance do not receive adequate immunization, have higher rates of visits for illness care, and have more frequent emergency room visits.

It is obvious that to deny children health care coverage, denies them the opportunity to lead healthy lives and to reach their fullest potential. We, in the Democratic Party, have worked hard to draft legislation that will address the plight of many of these uninsured children. This legislation will: first, enhance outreach to eligible children not yet enrolled in Medicaid; second, encourage and provide additional funds to States and territories to expand the Medicaid floor for health insurance for low-income children; third, provide for grants to States and territories to assist families with children with incomes up to 300 percent of poverty to purchase health insurance; fourth, require insurers to offer group-rated policies for children only; and fifth, give families who qualify to continue health insurance coverage under COBRA but cannot afford the premium for the entire family, the option to purchase a child only policy.

I encourage my colleagues to support this legislation. We, in this Congress, should commit ourselves to providing every child the chance to reach his or her fullest potential. We should provide health insurance coverage for every American child and promise to leave no child behind.

Mr. PALLONE. Mr. Speaker, I want to thank the gentlewoman for pointing these things out, because if we think about it, there is really no reason why

this should be a partisan issue at all. I think that hopefully we are moving in the direction of trying to get our Republican colleagues and leadership on the Republican side to join with us.

I think that the fact that they agreed with the President to at least include a pot of money for children's health care in the proposed balanced budget agreement which will come to the floor in some fashion over the next few weeks, shows that we have been making some progress, and I guess, if I could just emphasize that again, that this Democratic proposal can all be achieved within the context of the balanced budget agreement.

I believe, and I think it is only fair to say, that it was because of the consistent and strong pressure from the Clinton administration and congressional Democrats that funding for the Children's Health Care Initiative was included in the bipartisan budget agreement that was announced on Friday, May 2. Including funding for this initiative was a victory for the congressional Democrats who have been saying for the last year that this program needs to be included as one of our priorities, one of our budget priorities.

I should say that the budget agreement leaves the details of the children's health insurance initiative undefined. The agreement simply states that it assumes \$16 billion in funding over the next 5 years to extend health insurance to up to 5 million uninsured children. Under the agreement, the expanded coverage may be achieved by extending Medicaid and providing cap grants to the States.

So basically the agreement lends itself to the Democratic proposal that our task force has put together, in that the pot of money is there and it has the Medicaid expansion as well as the matching grant program to the States. But we believe very strongly, the way we put this package together, that we can capture a lot more than 5 million uninsured children; that we can, through a combination of going after those who are not currently enrolled but eligible for Medicaid, as well as the expansion of Medicaid, as well as the matching grants, as well as changes to the private insurance, in the private insurance area, that we can capture almost all, if not all, of the 10 million children that are not insured.

Let me just say, Mr. Speaker, in closing, that I believe very strongly the Democrats will continue to move forward on this issue because we understand the nature of the problem. We understand that 9 out of 10 children without health insurance are in working families. We understand that children without health insurance are less likely to receive the care that they need when they are injured or they are sick, and I have to say that as a parent myself, I would hate to have to worry about my child getting hurt at the playground because I do not have the health insurance coverage for him or for her. Families should not have to

worry about whether or not they can afford to take their child to the doctor if their child becomes sick.

Mr. Speaker, I do not think that the Republican leadership sees this issue in these terms. If they did, I believe that they would be more aggressive in trying to develop a solution for America's uninsured children. Democrats want to help the average American family, and we believe that our plan will do just that. We are going to continue to speak out on the House floor and by whatever means we have, in our districts, until such time as a plan is put forward, is marked up in committee and comes to the floor of the House that will address the problem of these 10 million uninsured children.

IMPORTANT COMPONENTS OF THE BALANCED BUDGET AGREEMENT

The SPEAKER pro tempore (Mr. JENKINS). Under the Speaker's announced policy of January 7, 1997, the gentleman from Ohio [Mr. BOEHNER] is recognized for 60 minutes as the designee of the majority leader.

Mr. BOEHNER. Mr. Speaker, tonight over the next hour, I and my colleagues in the Republican leadership here in the U.S. House will be discussing our agreement with the White House to balance the Federal budget over the next 5 years, the permanent tax cuts that will be part of this plan, our efforts to protect and preserve Medicare, and other important parts of this agreement.

We expect that the Speaker will be here to talk about what is in the agreement and what is not. The gentleman from Texas [Mr. ARMEY] we expect will come and discuss why tax cuts in this agreement are so important. How this agreement saves Medicare I will deal with in a few minutes myself, and why the critics are wrong will be covered by the majority whip, the gentleman from Texas [Mr. DELAY]. How this agreement maintains a strong defense will be covered by the gentleman from California [Mr. COX], the chairman of our policy committee; and how this agreement reflects Republican principles will be handled by the gentlewoman from Washington [Ms. DUNN], who is the Secretary to the Republican Conference. Why balancing the budget is important for our future and our children's future will be discussed by the gentlewoman from New York, the vice chair of the Republican Conference [Ms. MOLINARI]; and how this agreement makes Government smaller and smarter will be covered by the chairman of our leadership, the gentleman from New York [Mr. PAXON].

When it comes to the issue of Medicare, more than 2 years ago we sent out our warning to the American people that Medicare is going broke. It was not our warning, it was the warning from the bipartisan Medicare board of trustees. We took action 2 years ago to preserve, protect, and strengthen Medicare.

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The liberal special interests, more concerned with winning elections and solving a crisis, made sure that our reforms never became law.

Since President Clinton vetoed our bill the trust fund has lost tens of billions of dollars, and now we know that unless we act, the fund which provides hospital coverage for nearly 40 million seniors will be broke by the year 2001, one year earlier than we thought just a year ago.

This agreement preserves the trust fund for 10 years, until the year 2007. I think this should be an enormous relief for all seniors and soon-to-be-seniors that are concerned about the health of this program. This plan will not solve the problems with the baby boomers when they begin to retire in about 15 years, but we can lay the groundwork for our reforms through our actions this year, and in this agreement that we reached with the White House.

What will these reforms be? The committees have a lot of work to do to fill in the details of the agreement, but we do know what the outline will be and we know what our goals, most importantly, will be as we go through this. We know that prevention saves lives and saves dollars, so our reforms will cover mammography, diabetes self-management, immunizations, and colorectal cancer screening. Medicare will now catch up to the private sector and provide coverage for these important items.

We know that the vast majority of seniors have to pay hundreds of dollars a year for MediGap coverage. That is why we will fight to give seniors the same choice of coverage that people in the private sector have today. Why should seniors not have the same choices in health care delivery that their children and grandchildren have available to them?

That is really what we did in 1995, and we will work toward it again, to give seniors and their doctors the freedom to choose the types of coverage that they believe are best for them. There is good reason to modernize Medicare, because it is the only way to ensure that the program will be there when baby boomers begin to retire.

Perhaps most important for seniors is the assurance that we will provide in our agreement that spending will keep pace with their needs. Spending grows every year over the next 5 years in this agreement. There are no cuts. There were no cuts 2 years ago, in spite of what many people said, and there are no cuts this time.

Over the 5 years Medicare spending will increase 34 percent, which is about 6 percent a year, which we believe is about twice the rate of inflation that we are seeing today. Despite all the politics and the scare tactics, the demagoguery, the difference in spending between our package today and our reforms 2 years ago is \$5 billion over 5 years.

The chart that I have to my left and to Members' right indicates Medicare

spending over the 5 years in this agreement. Under the balanced budget act from 2 years ago, we were proposing spending over these 5 years \$1 trillion, 252 billion. Of course, we all heard the ads. We all heard how Republicans were attempting to cut Medicare, and all of the scare tactics that were used. In the agreement that we reached with the White House several weeks ago, we are proposing and have an agreement to spend \$1 trillion, 247 billion over the next 5 years; actually, \$5 billion less than what we proposed to spend 2 years ago.

Our agreement means that Medicare spending per senior citizen will increase from nearly \$5,500 this year, in 1997, to more than \$6,900 in the year 2002. We can increase spending and save Medicare because our structural reforms will make Medicare more efficient for seniors and their children and grandchildren who subsidize this very important program.

We know what works in the private sector. Only by beginning to implement these reforms will Medicare be preserved, protected, and strengthened for today's and tomorrow's seniors. I am proud that we put the partisan politics aside to accomplish this effort in Medicare, and frankly, the entire effort that we have come to an agreement with the White House on, again, to balance the Federal budget over the next 5 years, to strengthen and preserve Medicare, and to provide tax relief, permanent tax relief, for the American people.

My colleague, the gentleman from Texas [Mr. DELAY], the majority whip, is going to talk to us about how this agreement is good, and why the critics are wrong.

Mr. Speaker, I turn over my time to the gentleman from Texas [Mr. DELAY].

WHY THE CRITICS OF THE BUDGET AGREEMENT ARE WRONG

The SPEAKER pro tempore [Mr. JENKINS]. Under the Speaker's announced policy of January 7, 1997, the gentleman from Texas [Mr. DELAY] is recognized for the remainder of the time as the designee of the majority leader.

Mr. DELAY. Mr. Speaker, I really appreciate the gentleman from Ohio [Mr. BOEHNER], the distinguished chairman of the Republican Conference, for taking out this special order on this agreement. There is a lot that has been said about this agreement. It is fascinating to me that some people came out in opposition to the agreement before the agreement was even announced by the President or by the House or by the Senate. I think that is really unfortunate, that someone would be against the agreement before they even knew the facts. I just really appreciate my colleague's taking out this special order on the balanced budget agreement.

In my view, any agreement that balances the budget and cuts taxes for

working families is good for the American people. This agreement does both. How long have we dreamed about bringing fiscal responsibility to this Federal Government and to Washington, DC.? We have dreamed it for a long, long time. In my entire adult life I have dreamed that some day we could balance the budget and actually start paying down the debt, so that my daughters would not end up paying for my generation's fiscal irresponsibility.

I am really pleased to support the budget agreement. It is amazing that this agreement not only balances the budget and cuts taxes, but it includes long-needed entitlement reforms that will preserve and protect such programs as Medicare, and it is intended to weed out waste and fraud from the Medicaid Program.

Is this a perfect agreement? Of course not. Frankly, if it were, President Clinton would probably veto it. We need to face the fact that Bill Clinton is the President of the United States, Mr. Speaker. Our Republican candidate lost. If our Republican candidate, Mr. Dole, had won the election, we would not have this problem. We would probably have the perfect agreement. But Bill Clinton was reelected by the American people. We have to recognize that fact, and we also recognize that he is a President that loves to spend more money. That means that we have to negotiate.

This agreement is the end result of those negotiations. Let me correct that. It is not the end result, it is the beginning of a lot of negotiations that will have to go on for the rest of this year, because we start with the agreement on the budget resolution, and then after the budget resolution we will have to pass the bills that implement the policy set out by the budget resolution, and we will have to pass all 13 bills, all 13 of the appropriations bills, and all of that will have to be in consultation not only with the President, but with the Democrats in the House and in the Senate.

So this is just the beginning, and it is a work in process. In my view, it reflects the principles, the agreement reflects the principles that Republicans have long campaigned on. Several questions have been raised about the agreement, good questions that I think need to be answered. I will take just a moment to respond to these questions point by point.

Does this agreement use phony numbers? Many people wondered about the \$225 billion that all of a sudden appeared when the Congressional Budget Office revised their projected revenues to adjust for a growing economy. They thought it was just another effort by Washington politicians to avoid making those hard decisions. But the whole budget is based on economic assumptions, many of which turn out to be wrong, and we can go back almost 20 years and find out that in only one year out of 20 years of budgets written by this House have the assumptions