ENACT THE DIABETES RESEARCH WORKING GROUP REPORT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. NETHERCUTT) is recognized for 5 minutes.

Mr. NETHERCUTT. Mr. Speaker, 2 months ago the Diabetes Research Working Group released its report entitled ''Conquering Diabetes: A Strategic Plan for the 21st Century.'' This document was a result of over a year of effort on the part of 12 scientific experts and four representatives from the lay diabetes community. Support was provided by dozens of other individuals both from within the National Institutes of Health and from outside the NIH.

The Working Group was established by Congress as part of the Fiscal Year 1998 Appropriations Act and based on legislation I introduced in the last session of Congress. It requested that NIH establish the Group to develop a comprehensive plan for NIH-funded diabetes research.

Dr. Ronald Kahn is an outstanding physician and scientist. He was selected the chairman of the group. He has spent literally thousands of hours meeting and talking with countless individuals to establish a consensus on the direction of diabetes research. The report has exceeded all expectations. It clearly details the magnitude of the disease both on the individual and on our society.

On an individual level, diabetes affects virtually every tissue of the body with severe damage. Since 1980, the age-adjusted death rate due to diabetes has increased by 30 percent, while the death rate has fallen for other common diseases, such as cardiovascular disease and stroke.

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Diabetes affects about 16 million Americans, with 800,000 new cases diagnosed each year. The societal impact is likewise staggering. One in four Medicare dollars are spent to treat people with diabetes. And over one in 10 health care dollars spent are spent for diabetes. In economic terms, the cost to society is over $105 billion each year.

The report identifies five areas of extraordinary research opportunities for making progress in understanding and treating and ultimately preventing and curing diabetes. These five areas are the genetics of diabetes and its complications; autoimmunity and the beta cell; cell signaling and cell regulation; obesity; and clinical trials and research. Within each area, specific research recommendations are made, and in all areas rapid advancements are anticipated.

Finally, ''Conquering Diabetes,'' the name of this report, presents an analysis of current spending and estimates, program-by-program, of the cost of implementing each opportunity. Current spending, the group reports, is far short of what is required to make progress on this complex and difficult problem. They calculate that an increase of $384 million in fiscal year 2000, rising to $1.166 billion in fiscal year 2004 is, quote, required to have a robust and effective diabetes research effort, one which will reduce the rising burden created by this debilitating disease.

The release of the report has generated extraordinary interest among the scientific community, Mr. Speaker. Some argue that advances in research must be present to generate an increased NIH portfolio, while others argue that the presence of research dollars will generate advances as in the case of AIDS. By either standard, the time to establish a national commitment to diabetes research is now.

Mr. Speaker, Congress must seize upon the momentum in diabetes research and fully enact the Diabetes Research Working Group Report recommendations. It will take a commitment of $827 million in the next fiscal year. The scientific community has united to develop a concrete plan and now it is up to the Congress to unite to make this plan a reality.

I must conclude, Mr. Speaker, by saying that this is a very important initiative for our country. I know it is going to be a difficult year economically for the appropriations subcommittee that has to deal with this issue, but I must say it is in the Nation's best interest, it is in the interest of scientific research and the diabetic and all the complications that come from diabetes that the Congress step up and say $827 million is the number. I urge my colleagues to support this initiative in the House.

PROPOSED LEGISLATION SEEKS TO DEAL WITH HIGH COST OF PRESCRIPTION DRUGS TO NATION'S SENIORS

The SPEAKER pro tempore (Mr. PEASE). Under the Speaker's announced policy of January 6, 1999, the gentleman from Maine (Mr. ALLEN) is recognized for 60 minutes as the designee of the minority leader.

Mr. ALLEN. Mr. Speaker, I want to talk tonight about prescription drugs, about the high cost they represent to many seniors across this country, and about legislation that I have introduced in the House that will solve a good part, or allow substantial discounts on the cost of prescription drugs for Medicare beneficiaries.

But first a little history. Last June I asked for a report to be done by the minority staff, the Democratic staff, of the Committee on Government Reform on which I sit. I asked for that study to be done on prescription drugs, for one reason. Every time I spoke to seniors in my district back in Maine, I always heard the same questions: What can we do about the high cost of prescription drugs?

I remember distinctly one gentleman down in Sanford who stood up and said, ''You know, I'm spending $200 a month now on my prescription medication. My doctor just told me that I have to take another pill. The cost is $100 a month, and I'm not going to take it, because I simply can't afford to spend that additional $100.''

I heard that over and over again from seniors who simply could not afford to take the medication that their doctors told them they had to take. It is a serious problem across this country. Let us look at some of the numbers.

Many seniors, as this chart shows, simply cannot afford to take the medication their doctors prescribe. Seniors are 12 percent of the population in this country, but they use 33 percent of all prescription drugs. Approximately 37 percent of all seniors have no coverage at all for prescription drugs.

In fact, there are many seniors who do have some coverage, perhaps under a MediGap policy, but that coverage really does not do them very much good. For example, they may have a deductible of $250, a co-pay of 50 percent, and a cap of $1,200 or $1,500 per year. That does not do people who are paying $5,000 a year for their prescription drugs much good at all.

The average drug expenditure for Medicare beneficiaries is $942 per year. But in listening to seniors in my district in Maine, many are spending much more than that. In fact, many cannot afford to take the drugs that their doctor prescribes. So what do they do? One thing they do is they take one pill out of three, they mix and match, they cut a pill in half, they try to get by by taking some of their drugs but not all of their drugs.

It is a serious health care problem. We have reason to believe that it is sending people to the hospital, where expenses are high, who really do not need to go there if they could afford to take their medications. Thirteen percent of older Americans, that is almost 5 million people, report that they were forced to choose between buying food and buying medicine.

Let me give my colleagues a couple of stories. I hear from women in my district, they send me letters that say, ''I don't want my husband to know, but I am not taking my prescription medication, because my husband's sicker than I am and we can't afford both his medication and my medication. So I'm not taking mine.''

Back in July of 1998 when I did the first report on the study I will describe in a moment, I got a letter from a woman who sent me a letter saying, ''I'm writing to you because I don't know where else to turn. Here is a list of the prescription medications that my husband and I are supposed to take every month.'' The bottom line in prices was $650 per month. ''And here,'' she said, ''are our two monthly Social Security statements that represent all of our monthly income.'' The bottom line was $1,350. You cannot spend $650 of a $1,300 a month income on prescription drugs. You simply cannot do it. People cannot live like that. So they

are making choices that represent serious health risks to them.

Now, let me look at the study. I want to talk about a report that the Committee on Government Reform Democratic staff did. We went into the First District in Maine and asked questions. We wanted to compare the price that the manufacturers, the prescription drug manufacturers, give to their best customers, compared to the price that seniors pay in my district at the retail pharmacy level.

Here is how we did it. We looked at the price that the VA gets for its medications, the price that Medicaid gets for its medications, we looked at the price that large drug wholesalers get. Then we tried to figure out as best we could what hospitals and big HMOs get for a discount. Then we went and looked up the prices at the local retail level.

Here is what we found. The average retail drug prices for older Americans are almost twice as high as the prices that drug companies charge their most favored customers. We did not pick the drugs to investigate arbitrarily. We simply picked the five most commonly prescribed prescription drugs for seniors. These are branded prescription drugs.

You can see that there is Zocor, manufactured by Merck; Norvasc, manufactured by Pfizer; Prilosec, manufactured by Astra and Merck; Procardia XL, a Pfizer drug; and Zoloft, another Pfizer drug. The prices for favored customers, the best prices at which these pharmaceutical drugs are sold, for Zocor was $34.80. This is now a nationwide study, not just the First District of Maine. The retail price nationwide for seniors is $107.07. The price differential is 208 percent. Look at Norvasc. The price for favored customers, $59.71; the retail price for seniors $116.64, 95 percent higher than the price for favored customers. Prilosec, the price for favored customers is $59.10; the retail price for seniors, $114.56, a 94 percent increase. Procardia, $68.35 to favored customers; $130.33 at the retail price for seniors across this country, a 91 percent price differential. Zoloft, $115.70 for favored customers; and retail prices for seniors, $220.45, a 91 percent differential.

In short, for the five most commonly prescribed prescription drugs for seniors, seniors when they walk into a pharmacy, when they walk in without prescription drug coverage, they are paying 116 percent of the price that the favored customers of the drug companies are getting. Now, those favored customers are hospitals, big HMOs, and the Federal Government through the VA and through Medicaid.

That study, which was done first in Maine, has now been replicated in over 40 districts around this country, all of them at the request of Democratic Members of the House of Representatives who asked for the study. The results are the same. That differential means that seniors on average are paying more than twice as much as the drug companies' best customers.

Now, there are some prices that are even higher than that. Here is a price, a chart showing that the price for Ticlid for favored customers is a little bit over $30, but it is $105 for older Americans. Synthroid, a prescription drug that costs about $2 to favored customers, is around $30 for seniors, a huge differential, almost 1,500 percent. Micronase has a differential, its cost according to this chart, $7 or $8 as best we can tell, about $40 for older Americans.

That is happening all across this country. Older Americans are paying inflated prices for their prescription medication. What did our study show about who is getting all the money? The study showed that the pharmacies are not the problem.

The pharmacies in all of these studies are making a markup, to be sure, but a markup that ranges between 3 percent and 22 percent on their prescription medications. They are getting, in other words, an ordinary markup, and they are getting that markup because at the retail pharmacy level we are dealing with a competitive market. People can choose to go to a number of different pharmacies in their area.

When we talk to seniors, we find that they are in fact price shopping. Their price shopping has become more desperate, more anxious now than it was in the past because, frankly, they are having a harder and harder time paying their bills. The bottom line is, of that 116 percent price differential, maybe 25 percent maximum is going to the pharmacies. That means somewhere around 90 percent or so is going straight to the manufacturers.

Now, is the pharmaceutical industry an industry about which we need to have grave concerns? I suggest not. Why do I say that? Fortune magazine reports that the most profitable industry in the country by any measure is the pharmaceutical industry. This chart is hard to read, but if we look at profitability as return on revenues, the number one industry is pharmaceuticals, with an 18.5 percent return in 1998. The next most profitable industry on that is commercial banks at something like 13 percent.

If you look at return on assets, another way of measuring profitability, the pharmaceuticals are at 16.6 percent. Soaps and cosmetics are the second most profitable industry at 11 percent. If we look at return on equity, the number one again is pharmaceuticals at 39.4 percent. Soaps and cosmetics are at 35 percent.

□ 1830

No matter how we look at this subject, we are talking about the most profitable industry in the country charging the highest prices in the country to seniors who do not have prescription drug coverage.

If we look out beyond this country, we will find, as we have done studies comparing prices here versus prices in Canada and prices in Mexico, that the highest prices for prescription drugs in the world are charged in the United States, and within the United States the highest prices in the country are charged to those seniors who do not have any insurance for their prescription drugs.

Now what is one possible way to deal with this problem?

In developing this legislation we worked with the gentleman from California (Mr. WAXMAN), the ranking Democrat on the Committee on Government Reform and Oversight, the gentleman from Arkansas (Mr. BERRY), a Democrat, and the gentleman from Texas (Mr. TURNER), a Democrat, to put together legislation. I have sponsored the Prescription Drug Fairness for Seniors Act. It is H.R. 664, and here are the basic provisions:

H.R. 664 would allow pharmacies to buy drugs for Medicare beneficiaries at the best price given to the Federal Government, and the best price is usually a price that is charged to the Veterans Administration or Medicaid or some other program. What the bill does is it gives senior citizens the benefit of the same discount received by hospitals, big HMOs and the Federal Government. What is unique about this legislation is that it does not cost the Federal Government any significant amount of money. We can achieve a 30 to 40 percent discount in prescription drug prices at no significant cost to the Federal Government, and how does that happen? Because it happens this way:

All we are saying is that the Federal Government should be the negotiating agent, the buying agent, for people who are already participants in a Federal health care plan: Medicare. The Federal Government already provides for hospital care and doctors care and other benefits, but Medicare does not provide any funds at all for outpatient prescription drug coverage.

Why is that? Well, back in 1965 when Medicare was created, prescription drugs did not cost anything. There were not, frankly, that many drugs with the potency and effectiveness of drugs that are available today, and the pharmaceutical industry gets a great deal of credit for developing many new drugs that have improved the quality of life for people. But if someone cannot afford to buy the drugs, they do not do them any good.

H.R. 664 does not establish a new Federal bureaucracy, it does not cost any significant amount of money, but it would reduce prescription drugs for Medicare beneficiaries by 30 or even 40 percent.

This is a bill that has broad support in the Democratic Caucus. There are 111 cosponsors to this bill, the gentleman from Vermont (Mr. SANDERS), our Independent, and Democrats all across this country have lined up to say we want to reduce the cost of prescription drugs for seniors. To date, not one single Republican has cosponsored this legislation.

The bill has been introduced in the Senate by Senators TED KENNEDY and TIM JOHNSON, but again not one single Republican has stood up for senior citizens against the pharmaceutical industry. It is not happening, and people need to ask why. Because a bill that provides a benefit of that magnitude, a 30 percent discount, and yet costs the Federal Government no significant amount of money is not objectionable.

Now, one of the things that I found is that, and it has been interesting, is that as the prescription drug studies have been replicated around the country, people begin to understand that there is a solution out there. This is part of the solution. A Medicare prescription drug benefit of some kind is another part of the prescription. But the fact is that here is something that can be done right now. We do not need comprehensive Medicare reform in order to give seniors a discount that other people in the society already get.

I am pleased to see so many of my colleagues here tonight. I promised the first person here that she would be able to stand up first, our new member from Cleveland, the gentlewoman from Ohio (Mrs. JONES).

Mrs. JONES of Ohio. Mr. Speaker, I rise to join my colleagues in the discussion of the high price of prescription drugs for the elderly and in support of H.R. 664, the Prescription Drug Fairness Act for seniors, and I would like to thank the gentleman from Maine (Mr. ALLEN) for organizing this special order about this very important issue.

This is a matter that will affect us all at some point in our lives. In my district, greater Cleveland, Ohio, I am currently conducting a study of the cost of prescription drugs for seniors. We are all aware that seniors need more money for prescription drugs. Many seniors cannot afford the medication their doctors prescribe to maintain their health. We shudder when we learn that they must choose between buying food and buying medication. As Congresspersons, we have an opportunity to do something to ease that burden by supporting H.R. 664.

The need is obvious. As we age, our health gets worse. Medical technology has afforded us longer, healthier lives. Our collective longevity places a strain on Medicare, Social Security, health plans and insurance. We know these things. What perhaps we do not know is that seniors are being charged higher prices for medication than are the so-called preferred customers. One would think seniors, consumers of such a high volume of prescriptions, would be preferred customers. This is not the case.

The gentleman from Maine (Mr. ALLEN) was the first Member to request that the Committee on Government Reform and Oversight conduct a study on the price of prescription drugs to seniors in June of 1998. What the study found is alarming, to say the least. My colleague, the gentleman from Ohio (Mr. BROWN) subsequently did a study in the State of Ohio. Let me go just give a couple of examples. Let us take for instance Micronase, a diabetes medication by Upjohn. Micronase for a preferred customer is $10.05, but to a senior the vital medication costs $44.28. That is right, a difference of 341 percent. That is just an example of a laundry list of differing prices.

I believe we need to step in to protect taxpayers from being gouged by drug manufacturers. We must protect our elderly from corporations seeking to profit from their illness. This issue is of particular importance to me because my parents are seniors. In fact, my father, Andrew Tubbs, will be 79 years old tomorrow, 63 years older than my son, Mervin, who turned 16 today.

When I ran for Congress last year, throughout my district I received numerous complaints from seniors on this very issue. I promised to work on this issue, and I always try to keep my promise. That is why I rise in support of H.R. 664 and thank the gentleman from Maine (Mr. ALLEN) and my Democratic colleagues for bringing this issue to the floor.

Mr. Speaker, I encourage everyone to support the Prescription Drug Fairness For Seniors Act.

Mr. ALLEN. I say to the gentlewoman from Ohio (Mrs. JONES) we appreciate her support and hard work on this issue.

I yield now to the gentleman from New York (Mr. HINCHEY).

Mr. HINCHEY. I want to thank the gentleman from Maine (Mr. ALLEN) very much for yielding to me to discuss this very important issue and also commend him for his leadership on it. I think all the Members of this House who are concerned about health care and particularly the health care of older Americans, and in fact every American who is concerned about this for themselves and for their parents owes him a debt of gratitude for the leadership that he has shown on this critically important issue.

Prescription drugs, as we know, are an essential part of health care in America, and they are particularly essential for those who need it the most, and that inevitably is people as they age. As we age, we call upon the health care delivery system much more frequently. The elderly, in fact, spend three times as much of their income on health care as compared to that is which is spent by the average American. Our Nation's largest health care program, Medicare, currently does not provide even a minimal prescription drug benefit. Senior citizens use one-third of all prescriptions that are issued in our country, and yet nearly 40 percent of our seniors have no prescription drug coverage. They, therefore, must incur drug expenditures out of their pocket. Seniors on fixed incomes are the people who can least afford to shell out thousands of dollars a year for drugs on which their health and often their very lives depend.

In short, we are asking them to choose often between the necessities of life, often between the basic essentials of life, choices between buying food or buying the medication they need to sustain their health. The irony in all of this is that in many cases the drug manufacturers are charging senior citizens double what they charge their most favored customers, as our colleague pointed out in those charts he showed us a few moments ago. Their favorite customers, of course, are large HMOs, or Federal Government or other large purchasers.

The Committee on Government Reform and Oversight minority staff under the gentleman's leadership conducted a study on drug prices in the district that I represent as they did in districts across the country. The study surveyed prices at pharmaceuticals for 10 prescription drugs that are most commonly used by elderly Americans. The average price differential between what the drug companies' most favored customers pay and what a senior citizen in my congressional district in New York that stretches from the Finger Lakes across the Catskill Mountains to the Hudson Valley, the difference between what is paid by HMOs and senior citizens averaged 106 percent. So that is an extraordinary differential.

For one drug, Ticlid, the price differential was in fact 270 percent difference. In other words, the senior citizens were paying 270 times what the price was for a person with a member of a large HMO, for example, or someone else who could purchase in bulk.

The difference between what seniors pay and what large HMOs pay is not merely result of volume discounts, however. There are other factors that intervene. Compared to the markup on other consumer products, which average around 22 percent, the markup on prescription drugs was much higher, the average markup there being 116 percent. This price markup is coming directly as a result of the markup from the manufacturers. As my colleague pointed out, it is not the corner drug store that is scalping these prices. It is the drug manufacturers themselves that are causing these enormously high prices, and therefore they are the ones who are getting the huge profits.

Our Nation's seniors deserve fair treatment. The Prescription Drug Fairness for Seniors Act, which we have introduced under the leadership here of the gentleman from Maine, would help ensure more equal treatment, fairer treatment, and better treatment and healthier treatment for our senior citizens. It would do so by allowing pharmacies to purchase drugs for Medicare beneficiaries at the best price charged by the Federal Government.

This bill is estimated to have a benefit to senior citizens in that it will reduce the prices they pay for prescription drugs, as the gentleman has indicated to us in his charts by about 40 percent on average across the board. Each senior citizen will realize a 40 percent saving in the prescription drug

prices they require to maintain their health and in some cases their lives. Making prescription drugs more affordable for seniors is a strong first step as we work toward expanding the Medicare program to include a prescription drug benefit.

So I want to thank the gentleman from Maine (Mr. ALLEN) for the leadership that he has shown. The passage of this bill, which he has indicated, is unfortunately at this moment sponsored only by Democrats. If we manage to pass this bill, it is going to mean an enormous saving for every elderly American across the country.

So I praise the gentleman for his leadership in this very, very important issue, and I am very pleased to join with him in cosponsoring this bill, and he and I and all the others of us that are working so hard to get it passed will succeed, this bill will succeed, and the beneficiaries will be elderly Americans all across our country.

Mr. ALLEN. Mr. Speaker, I thank the gentleman from New York, and I want to thank him for all his work on this legislation here within the House and also for conducting that study back in his district, which shows basically the same kind of pattern that we have seen across the country.

I would like now to yield to the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON).

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise to participate in today's special order to highlight the high cost of prescription drugs for seniors in America, and I wish to compliment the gentleman from Maine (Mr. ALLEN) for first organizing this special order and, secondly, for introducing the Prescription Drug Fairness for Seniors Act, H.R. 664.

Sooner or later every American will be affected by Medicare. Like death and taxes, the coming of old age is inevitable for the living. The need for affordable and quality health care for seniors, therefore, is in everyone's best interest. When one's resources are limited like many of our constituents, we know we need to give this attention.

Mr. Speaker, Texas is no different from anyone else.

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Its health care, the need for health care, becomes even more acute. Currently, Medicare offers health care insurance protection for 39 million seniors and disabled Americans. The program provides broad coverage for the cost of many primarily acute health services. However, there are many gaps in program coverage. The most glaring shortcoming is the fact that Medicare has a very limited prescription drug benefit.

Most beneficiaries have some form of private or public health care insurance to cover expenses not met by Medicare. The reality is that many of these plans do not offer coverage or offer very limited protection for drug expenses. The result is that Medicare beneficiaries pay approximately half of their total drug expenses out-of-pocket.

For many seniors, the existing system imposes quite a financial burden, and for many it means choosing between medication or food or utilities or other essentials. The average drug expenditure for Medicare enrollees living in the community was $600 in 1995. Total spending for persons with some drug coverage was $691 compared to $432 for those with no coverage, according to data compiled by the Congressional Research Service.

The average expenditure per person varied widely depending upon the type of insurance coverage. In every category, spending was significantly higher for those who had supplementary drug coverage than those who did not. Higher spending reflects higher use rates. In 1995, persons with coverage used 20.3 prescriptions per year compared to 15.3 prescriptions for those with no supplementary drug coverage.

One inference that the Congress and the President should take to heart from these figures is obvious. Based on their limited income, some seniors are foregoing the purchase of needed prescription drugs so that they can eat, pay bills or submit their rent checks on time.

It is absolutely amazing to me that the U.S. Government would foster a Medicare policy that directs seniors to choose whether they have prescription drugs or whether their electric bill is paid on time. That is a choice without a favorable outcome.

Based on this problem, the Congress and the President should be spurred into action to approve the legislation of the gentleman from Maine (Mr. ALLEN) or some legislation that brings additional prescription coverage for Medicare beneficiaries. Obviously, this benefit will be expensive, but I am confident that the Congress and the President, working with the drug manufacturers and health care community, can achieve this goal.

A second concern that exists in the current Medicare system, that does not feature a drug benefit, is the difference between what seniors pay versus what other purchasers of health insurance paid. It affects them as their limited income begins.

Studies by the staff of the gentleman from California (Mr. WAXMAN), who is on the Committee on Government Reform, have revealed that pharmaceutical companies are taking advantage of older Americans through price discrimination. These studies show that in Texas and other States seniors pay for prescription drugs, on average, nearly twice as much as the drug companies' favored customers, such as the Federal Government and large health maintenance organizations.

This price difference is approximately 5 times greater than the average price difference in other consumer goods. I intend to work with the Committee on Government Reform to determine the extent of this problem as we complete the study in my district.

In the meantime, the Congress and the President need to address the lack of Medicare prescription drug benefits. As a cosponsor of the bill offered by the gentleman from Maine (Mr. ALLEN), I would urge all Members to cosponsor it. This is not a partisan piece of legislation. This is for all seniors.

This legislation allows pharmacies to purchase drugs for Medicare beneficiaries at the best price charged to the Federal Government through programs such as the Veterans Administration or Medicaid. The legislation has been estimated to reduce prescription costs for seniors by more than 40 percent.

Mr. Speaker, I thank the gentleman for allowing me to participate this evening.

Mr. ALLEN. Mr. Speaker, I thank the gentlewoman for her remarks. She has done great work on this issue. We appreciate her leadership.

Mr. Speaker, I now yield to the gentleman from Massachusetts (Mr. TIERNEY). We have talked about this issue on numerous occasions and he has told me a good many stories about how the high cost of prescription drugs affects people in his district.

Mr. TIERNEY. Mr. Speaker, I thank the gentleman from Maine (Mr. ALLEN) for yielding.

Mr. Speaker, I want to thank the gentleman from Arkansas (Mr. BERRY) for allowing me to step up before him for a second because I do have to leave.

Mr. Speaker, I thought I wanted to come here this evening and talk with all the others that think this is an important issue. I want to take a little leave from the prepared remarks that I had to compliment the gentleman from Maine (Mr. ALLEN) for the leadership that he has shown on this.

To let people know it goes beyond just filing the bill, the gentleman from Maine (Mr. ALLEN) and I shared time on the Committee on Government Reform, which unfortunately under its current leadership has been wasting a lot of time on issues that apparently are not getting that committee too far into anything concrete.

The gentleman from Maine (Mr. ALLEN) has understood that that committee has great progress in line, it has great potential, and he has taken on an issue here that is important to the American people and is what that committee ought to be doing on a regular basis. So I commend the gentleman from Maine for stepping forward on that.

Shortly after the gentleman from Maine (Mr. ALLEN) did his study, he was kind enough to share it. I did another study after the gentleman from Texas (Mr. TURNER) did his, and the gentleman from Arkansas (Mr. BERRY) did his. It was one of those succeeding studies that sort of went domino effect right across the country, as we have heard mentioned here.

The results in my district were no different than they were in others. Seniors that are not covered in a large

plan are paying an extraordinary high amount for prescription drugs.

This whole health care system that we have is imploding at the current time. We said this in 1993 and 1994. We told people then that if we did not do something about the systemic problems that we had in our health care delivery system, we were going to find that managed care companies would take every ounce of profit that they had out of it, squeeze it out and hand back to the American people a problem.

Essentially, that is happening in large part, and aggravating that situation is the huge cost of prescription drugs; the cost to managed care systems themselves, the cost to hospitals, and the cost to individuals that are not covered on a plan large enough to drive a lower price.

The gentleman from Maine (Mr. ALLEN) and I have both heard the prescription drug manufacturing companies come out and tell us that this is cost fixing, price fixing. We both smiled at that because we know it is the exact opposite of that. They do not have a free market system. In fact, the prescription drug companies are running monopolies. They have patents on those drugs and they are determining the prices on them.

They are discriminating in two different ways that we found out through our reports. Overseas, where people have universal or single payer health care or they have some system to buy en gros for people, they are driving the prices down and then that cost is being made up, that profit for the company made up by shifting the higher costs to people that are not covered in this country. Then within this country, people that are covered in plans get a lower price because the plan is large enough to bargain, and that cost is then shifted onto those that are not in that position.

We need to have the majority understand that this is not a partisan issue. They have made it a partisan issue. The fact that we can have 111 or 112 sponsors to a bill and none of them be from the majority party, when it is a bill that talks to an issue that the American people speak about every day, and there is not one person that is going to speak here this evening that is not going to say that they took the studies and reports in their district and went to seniors and went to others in their district and talked about it, received a tremendous response from people who have said, ''That has been an issue for years. We are glad that Congress is listening. Something has to be done.''

Now, obviously, what has to be done is Medicare has to include prescription drugs in that program in long range, and that, I hope, will come to fruition at some point this time. In the interim, the gentleman from Maine (Mr. ALLEN) has had the foresight to put this bill together, and I have been fortunate enough to cosponsor it and move it forward to allow people to have the benefit of the Federal supply system.

Strangely enough, well, it is not really strange, it is no coincidence at all that the gentleman from Maine (Mr. ALLEN) is a cosponsor of significant campaign finance reform, as am I and most of the other people that will speak here this evening.

Amazingly, in the early 1990s when many products were lifted and allowed States to buy under the Federal supply system, originally prescription drugs were on that list. Consequently, by the end of that fall when the appropriations bill was done, there was a single sentence in there that took prescription drugs out. So now prescription drug companies make 28 percent profit in some instances. Other companies in the Fortune 500 would be happy to have 10 percent profits.

Nobody is saying we do not want them to have profits. They have been the top 20 profitable companies across the world in the last years. We want them to make a profit. We do not want them to shift the responsibility to the most vulnerable part of this population. We need to improve our health care system. We need to make sure that people can do it.

And when we get through with this bill, when it passes, I am hoping we move on and allow legislation to pass to take away any impediments, anything that would stand in the way of States or entire regions of this country joining together to get their prescription drugs at even lower prices. We can put in protections for the manufacturers to make sure that their prices are not driven down worldwide, but we have to make sure that we move in that direction.

Let me leave the gentleman from Maine (Mr. ALLEN) with one story that we have shared and that I think drives it home. There is a woman in my district who lives in Newburyport, Massachusetts, who wrote a letter and then she shared it later with the newspaper, and the letter begins, ''I am sitting at my desk with an involuntary flow of tears streaming down my cheeks. My husband sits close by silently eating his heart out. I am angry. I am distraught. I am feeling extremely defenseless.''

She goes on to say, ''My husband just returned from the drugstore. When I read the receipt, I felt a sense of panic and my eyes welled up. $250? This has to be a mistake. No, it is $250. But how can that be? We just paid $400 two weeks ago. We cannot keep on doing this. Our income tax return bailed us out last time. Now what? I took a quick mental inventory of our financial status. Our one credit card is maxed. Our bankruptcy prevents us from obtaining a loan. We are living paycheck to paycheck. We have overdraft but when that is exhausted, what will we do? I have no aces in the hole. All I have left is hope and prayer.''

What people like her are hoping and praying is that Congress will not make this a partisan issue; Congress will understand that we are here not to waste time, as the Committee on Government Reform does all too often. It is here to act on legislation that is important to the American people, legislation like H.R. 664.

Again, I congratulate the gentleman from Maine (Mr. ALLEN) for bringing this matter to the attention of the Congress and helping us getting it passed.

Mr. ALLEN. Mr. Speaker, I thank the gentleman from Massachusetts (Mr. TIERNEY) for his good work. He is working hard on this, and the story that he told about his constituent is repeated in stories from others all across this country, because everywhere across this country there are people who are unable to pay for all their prescription drugs and their food and their electricity and their other living expenses that they have.

Mr. Speaker, I yield now to the gentleman from Arkansas (Mr. BERRY), who as a registered pharmacist took the lead in setting up the prescription drug task force. I can say honestly no one has worked harder on this legislation than the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Speaker, I thank my distinguished colleague, the gentleman from Maine (Mr. ALLEN), for yielding, and I want to thank him for this outstanding bill and for this idea that has helped create this bill. He has provided the leadership that has gotten us where we are with this effort, and I appreciate very much what he has done.

I also want to thank our colleagues, the gentleman from California (Mr. WAXMAN) and the gentleman from Texas (Mr. TURNER), and all of the others that have joined us here this evening and that are cosponsors of this bill.

I think this is something that for most of us it is just a simple matter of fairness. It is unbelievable that we would allow a situation to develop in this country because of our laws and our regulations that we have put in place, that would create a system where our senior citizens could be so grossly abused as they are right now by the prescription drug manufacturers in this country. It is a very distressing thing.

We are the greatest Nation that has ever been in the history of the world. No other country has ever had our economic or our military or political power, and yet we allow a situation like this to become dominant and to take advantage of our senior citizens.

When I first began the campaign in 1996, one of the first experiences I had was encountering a senior citizen that came to me and he said, ''Medicare does not pay for my medicine. I have a $500-a-month Social Security check. My medicine is $600 a month. What do I do?'' I didn't have an answer for him. I thought I knew a lot about this business at that time, but that man has plagued me ever since. I think about him every day.

It seems so unfair that we would let the manufacturers, the pharmaceutical manufacturers in this country, create a situation where that man who had worked hard, played by the rules, tried to do everything that he thought he was supposed to do to be prepared for his old age, get taken advantage of in that way.

□ 1900

If we had someone out here going door to door, taking the food out of our senior citizens' mouths, we would have them arrested, and yet that is exactly what is happening here with our senior citizens in this country. We all pay too much for prescription medication. The gentleman has done an outstanding job this evening of explaining that these are the most profitable companies anyplace. They are the most profitable legal businesses that exist. And yet, we allow them to take advantage of our senior citizens like this. We all encourage making a profit. We want these companies to be profitable, but when they make a profit at the expense of taking advantage and abusing senior citizens who cannot protect themselves, it becomes a moral issue, and that is the reason we have to do something about it.

As the United States Congress, we should pass H.R. 664 and do everything that we can to at least give our seniors an even break. It is almost unbelievable to me that we have not done this a long time ago. This does not cost the government anything. All it does is make our seniors part of a very large purchasing pool and give them a good deal. For once in their lives, they get an even break.

As we see the way the system is structured, it is unbelievable to me that the Federal Government has allowed it to go on and on and on. Every time that we have held the prescription drug manufacturers responsible, when we created generic drugs basically in this country, the prescription drug manufacturers came to us and they said, oh, this will be a terrible thing. We will not get any new products. The fact is, the investment they made in creating new products has more than quadrupled. It just simply does not hold water that they are not going to continue to invest in creating new products. We all know what an essential thing that this is. As I have said, it is a matter of basic fairness.

I appreciate again the gentleman's efforts this evening to bring this to the public's attention, to bring it to our attention. I thank all of my colleagues for being here to support this effort and I look forward to the day when we can stand here and say, this is law. We have done the right thing, we have done the fair thing, and America is going to be a better place for it. I thank the gentleman.

Mr. ALLEN. Mr. Speaker, I thank the gentleman. As I said before, no one has worked harder on this legislation than the gentleman has, and I agree with the gentleman, we will pass this legislation before we are done.

I would now like to recognize one of our new Members, the gentleman from New Mexico (Mr. UDALL).

Mr. UDALL of New Mexico. Mr. Speaker, I thank the gentleman for his leadership on this issue. I think the gentleman has been out there on the front and he has really demonstrated why we need to do something about this cause.

I rise today to talk about the problem of prescription drug costs. I have held a series of town hall meetings around my district in New Mexico and I ask senior citizens in these town hall meetings about health care and what their problems are. It became apparent to me very early on that one of the most frequently mentioned problems was how to deal with rising prescription drug costs.

As one woman put it, she said, on a fixed income, I have to make a tough choice between my prescriptions and food and other essentials. So imagine having to make a choice between food and one's prescription drugs. There could not be a tougher choice.

Well, basically we have heard some discussion here about what the problem is, and I would like to identify a little bit further where I think it is coming from. First of all, I think it is absolutely clear that we have an increasing drug cost situation going on. Clearly, Medicare does not cover the cost of prescription drugs. When I ask in my district, people said they got insurance, supplemental insurance, but found out that it did not even cover most of the cost of prescription drugs. The HMOs, although many of them say they cover the cost of prescription drugs, there are problems getting drugs there. So we have seniors paying out of their own pocket in order to cover those prescription drug costs, and we have big drug companies who are making record profits, and yet they discriminate between preferred customers and senior citizens.

So this is an issue that Congress can really do something about. First, we can attack it with the gentleman's piece of legislation, which I think goes a long way toward trying to sort out this discrimination issue. We can require that the large, big drug companies sell at that preferred customer cost to the small pharmacies who, in my district, have said they would just pass that on to senior citizens, pass on that savings.

Second, we can pass a real tough patient Bill of Rights. That patient Bill of Rights would say that if a doctor prescribes a drug, then it is going to be required that it be paid for, and we have such a proposal, a Democratic proposal that is circulating that I have signed on to and I am sure many others have signed on to here.

Third, when we get into the whole issue of Medicare and making sure that Medicare is solvent, we can at least say that part or all of prescription drugs should be covered under that program which has helped so many since it was put in place in the 1960's.

So let me just finish by saying, it is time we do something now; it is time that we move forward. I appreciate so much having the opportunity to speak and to have all of my other colleagues here that are working on this issue. I want to once again thank the gentleman for his leadership on this issue.

Mr. ALLEN. Mr. Speaker, I thank the gentleman. I read some of the material that came out when the gentleman did his report in New Mexico and it was compelling information. I am so glad to have the gentleman working with us on this issue.

I would like now to yield to the gentleman from Ohio (Mr. BROWN), the distinguished and more-senior-than-many-of-us-Member from Ohio who has shown great enthusiasm and leadership on this issue since we started. I really appreciate all of the gentleman's help. I yield to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, I thank the gentleman from Maine and I want to also thank and laud the gentleman from New Mexico (Mr. UDALL) for all of the good work that he has done, and all the others here this evening who have shown leadership on perhaps the most important issue facing America, America's elderly population.

Last year the CEO of Bristol-Myers Squibb made a $1.2 million salary, a $1.9 million bonus, and $30.4 million in stock options. Last year, drug company profits outpaced those of every other industry by more than 5 percentage points. Millions of dollars for executives, billions of dollars in profits.

Last year, 4.5 million seniors filled their prescriptions OR purchased food. They had to make that choice. They could not afford both. Millions of dollars for executives, billions of dollars in profits, yet senior citizens had to choose between food and medication.

Seniors are paying higher prices for prescription drugs than any other purchaser because drug companies simply know they can get away with it. Medications are not luxury items, seniors have little market clout, and drug companies wield monopoly power. As a result, seniors pay prices set high enough to generate unrivaled profit margins and compensate for the discounts offered to other, more influential purchasers. The highest prices are charged to those least able to afford prescription drugs and most likely to need prescription drugs.

What kind of system is that?

Drug companies tell us it is the right system. They say if the United States no longer permits drug companies to gouge individual senior citizens, or even if we provide a meaningful insurance vehicle that puts seniors on an equal footing with other large purchasing groups, drug industry profits, they tell us, will be so stifled that innovation in medical progress will stop dead. That is what they tell us.

But how much do these companies need to earn over and above their research and development costs to feel sufficiently appreciated? Drug companies earn exorbitant profits by charging seniors double, sometimes triple, even occasionally quadruple, what they charge large purchasers inside the United States and individual purchasers, and large purchasers outside the United States.

Even seniors with prescription drug coverage are often overwhelmed by their prescription expenses. In Medicare supplemental plans, for example, when one gets past the deductible, the modest annual limit and the 50 percent coinsurance, coverage just does not look much like coverage anymore.

In 1999, 5 million seniors, some with and others without drug coverage, will pay more than $1,000 out-of-pocket for prescription drugs. About 1 million will pay $2,000 or more for prescription drugs. These numbers could be significantly lower if seniors were simply treated like other customers.

Prescription drug companies claim that if we take action to protect seniors from price gouging, everyone else's prescription drug prices will go up. Apparently, drug companies cannot tolerate any reduction in their record-breaking profits. They must compensate for charging seniors reasonable prices by upping the prices charged to other payers.

I would like to again thank the gentleman from Maine (Mr. ALLEN) for the Democratic proposal, the Prescription Drug Fairness For Seniors Act, which prevents drug companies from singling the elderly out, charging them distorted prices relative to other purchasers. This bill makes sense. I hope the Republican leadership will do its jobs and demand that drug companies are held accountable.

Mr. ALLEN. Mr. Speaker, I thank the gentleman from Ohio for his leadership on this. I welcome the gentleman from Mississippi (Mr. Shows).

Mr. SHOWS. Mr. Speaker, it is good to be here. I thank the gentleman. No Americans, especially our senior citizens, should ever be forced to choose between buying food or medicine and they should not have to decide between paying the electric bill and their prescription bill. That is a shame to say, but in America today we allow that to happen.

Early this month I read an article in The Washington Post where a woman with stomach tumors stopped taking her prescription medication because she could not afford to pay for it. She said not taking her medicine caused unbearable pain, but she really had no choice, because she could not afford it. There is just something about that that is not right.

We have millions and millions of Americans suffering from high blood pressure and diabetes and heart disease and medicines that are absolutely necessary for these people to take. These are not luxuries, this is something that we have to have. It is not an option. Yet, prescription drugs costs continue to rise and many seniors just do not have the money to pay for it.

I can give a personal example. My mother-in-law is on a fixed income. If it was not for family, she really would not be able to do it. Something has to do it for them. If a senior citizen has to pay $250 a month for just one prescription drug, that adds up to $1,000 annually. Think about it. Most of them have more than one.

Our seniors spend a lifetime working hard and paying taxes. They help build our roads, educate our children, help provide for the defense of this country, a lot of them are our veterans; and after all of these sacrifices they have made, they deserve the peace of mind knowing that they can get medication that is affordable.

That is why I am a cosponsor of the gentleman's bill, the Prescription Drug Fairness For Seniors Act of 1999. I think it is a fine piece of legislation.

This legislation would substantially lower the cost of what the senior citizen would have to pay. Right now, they pay almost twice as much for prescription drugs as the drug companies. That is what they call favored customers or volume customers such as the Federal Government and large HMOs. This legislation will allow pharmacies to purchase drugs for Medicare beneficiaries at the same rate as the so-called preferred customers.

But we can do more to help alleviate the cost of prescription drugs. We should also pass H.R. 805, the legislation of the gentleman from New Jersey (Mr. PALLONE), to allow seniors to have access to FDA-approved generic medicines. These generic brands can be bought, as we know, 30 to 40 percent cheaper and they provide the same services. If seniors are having to pay more for a name brand when they can get the same effect from a generic brand they should be able to do that at that reduced price.

Our long-term goal should be to figure out how to add prescription drug benefits to Medicare. Seniors ought not have to worry about that. We ought to be doing it for them.

Let us make prescription drugs more accessible and affordable to our seniors. Let us pass H.R. 664 and H.R. 805 and make it so our seniors in America never have to choose in America between buying food and their medicine. Let us make sure our seniors never have to go without their medication because they cannot afford it. Let us add a prescription drug benefit to Medicare. We know it is the right thing to do. I thank the gentleman.

Mr. ALLEN. Mr. Speaker, I thank the gentleman for being here tonight and for all of his hard work on this issue.

I yield now to the gentlewoman from the District of Columbia (Ms. NORTON).

Ms. NORTON. Mr. Speaker, I thank the gentleman from Maine for yielding, but I especially thank him for his consistent leadership on this very important issue.

Yesterday, in the District of Columbia, I had my Senior Legislative Day. There I released the study for the District of Columbia entitled, Prescription Drug Pricing in Washington DC: Drug Companies Profit at the Expense of Older Americans. That study was prepared by the minority staff of the Committee on Government Reform and Oversight on which both the gentleman from Maine (Mr. ALLEN) and I serve.

The gentleman's bill is very important, but it is a very moderate bill.

□ 1915

It would only level the playing field so that seniors can take advantage of bulk pricing the way many Americans, most of them younger than seniors, already do. I do not have any problem with bulk pricing. It is a standard American practice. In fact, it is a standard practice throughout the world.

In the case of the drug companies, the bill of the gentleman from Maine (Mr. ALLEN) would allow them to share some of the profits, they are now hoarding $25 billion a year, by spreading the standard practice of bulk buying more widely to cover those who can least afford to buy their drugs individually.

But I want to say right here and now that while I support the gentleman's bill, I am a cosponsor of the gentleman's bill, I believe that we can afford a prescription drug benefit in Medicare, and I want to say why.

There has been a revolution in American medicine. At the time that Medicare was passed, seniors could go to the drugstore and for a couple of dollars, buy the couple of pills that were available for what ails them. Today there has been a shift from invasive procedures to drug therapy, in effect.

If I could ask the gentleman a question, does the gentleman know whether there has been a study as to how much the use of drugs and medicines is saving the Medicare program?

Mr. ALLEN. Mr. Speaker, I would tell the gentlewoman that I am not familiar with the study, but it has to be saving substantial amounts. Spending on prescription drugs is going up 15 percent a year, and we all know that the number of hospital beds in use is going down, at the very time that seniors are living longer. So there have to be substantial savings here, but I am not aware of a study that would quantify that.

Ms. NORTON. I raise the question for the gentleman only because this much seems clear: We are forcing down costs in the Medicare program. Nothing is forcing down the costs of drugs. So I would wager that there are billions of dollars being saved by the Medicare program by not having to pay for drugs.

What I am suggesting is that precisely because they are saving that money, that the Medicare program

ought to allow some of those costs to shift to the program itself.

After all, that program is willing to pay for the most costly procedures if prescribed by a physician, but it is not willing to pay for procedures under the direction of a pharmacist. This is absolutely irrational. The cost is greatly out of proportion and is quite outrageous. We will pay for institutional care by allowing a senior to spend down her resources until she gets nursing home care paid for entirely by Medicaid, but we will not pay for a drug benefit that will keep her out of a nursing home altogether.

Seniors cannot possibly take this much longer. I cannot believe that the seniors who have saved colas and social security will not force prescription drugs into their Medicare. If we are going to change how we treat people from invasive procedures and save the taxpayer money, then it seems to me we have a moral obligation to shift some of that savings to seniors who are on limited incomes and cannot possibly continue to shoulder the burden they are shouldering now.

In the report done for my own district, we found that my seniors were paying 137 percent more than preferred customers. An example, and that is six times, by the way, more than they pay for other consumer goods, an example was Synthroid, a thyroid hormone drug where the drug to the preferred customer is $1.75 a dose, and $31.43 a dose to the senior.

The gentleman's bill, minimally, must be passed, and it must move us on to making prescription drugs a benefit of Medicare.

Mr. ALLEN. Mr. Speaker, I thank the gentlewoman, and I will return again on another occasion to the gentlewoman from Texas (Ms. JACKSON-LEE).

I want to thank all Members who have been here tonight.

Mr. FROST. Mr. Speaker, I rise today in support of the Prescription Drug Fairness for Seniors Act. This issue is one of great concern to a number of my constituents who are Medicare beneficiaries who use one third of all prescription drugs in the United States.

On average, seniors pay nearly twice as much as the drug companies' favored customers, such as the federal government and large HMOs and 37% of our nation's seniors do not have prescription drug coverage. In my district in Texas alone, many seniors are forced to pay up to 109% or more for the most commonly used prescription drugs. It is time to show our nation's seniors that their health is more important than drug company profits.

I have had a great number of constituents contact me personally to share their concerns for those seniors that are literally having to choose between buying food and buying their prescriptions. An even greater number of individuals endanger their lives every day by not taking the required dosage or only filling some of their prescription medications since they can not afford to meet all of their medical needs.

It is high time that the U.S. Congress address the issue of a Medicare benefit for prescription drugs. How much longer are we going to allow the pharmaceutical industry, which is currently enjoying record profits, to dictate the health care choices of our senior citizens?

I support H.R. 664, the Prescription Drug Fairness for Seniors Act because it allows pharmacies to purchase drugs for Medicare beneficiaries at the best price charged to the federal government though programs such as the VA or Medicaid. This legislation would reduce prescription drug prices for seniors by more than 40%, and without imposing price controls, but putting an end to price discrimination.

It is time to show our nation's seniors that their health is more important than drug company profits.

GENERAL LEAVE

Mr. ALLEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore (Mr. SESSIONS). Is there objection to the request of the gentleman from Maine?

There was no objection.

TRIBUTE TO DR. LOIS MOORE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

EXPRESSING SUPPORT FOR H.R. 664, LEGISLATION PROVIDING FOR DISCOUNTS ON PRESCRIPTION DRUGS TO SENIOR CITIZENS

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from Maine (Mr. ALLEN) for his kindness in reaching out to me for time.

I am going to take just a moment, Mr. Speaker, before I begin a tribute to Dr. Lois Moore, because it is absolutely appropriate to acknowledge my support for H.R. 664, the legislation that deals with a discount of prescription drugs for senior citizens.

It is interesting that we find it difficult to get such legislation to the floor of the House. I am very pleased that I am engaging in a study in my district with pharmacies, and I was very glad to hear the gentleman from Maine (Mr. ALLEN) say that this is not an issue dealing with pharmacies. In fact, it is with our large pharmaceutical companies.

In fact, there will be processes under H.R. 664 where the burden would not be heavily on the pharmacies, but it is important that just like they give big discounts to hospitals and HMOs, that they give discounts on prescription drugs as well to our senior citizens.

When I traveled in my district and visited five senior citizen sites, every one of them said, I have to choose between eating, paying light bills, heat bills, and getting my prescription drugs, as we well know, hearing from my mother that there is an enormous amount of prescription drugs, because we are living longer, that many seniors have to take.

It keeps them healthy. It keeps them happy. It keeps them able to do the things that they would like to do. Why should we penalize them? I hope that we can move H.R. 664 to the floor very quickly.

Mr. Speaker, let me acknowledge the purpose of my special order this evening is a tribute to Dr. Lois Moore, a selfless leader in our community who has served the Harris County Hospital District, and we will be losing her expertise.

She is known in our community in Harris County, in Houston, Texas, as one of its greatest leaders in the health care community. Her leadership, expertise, commitment, and presence will be truly missed at the hospital district. However, we know that she will continue on to service.

Under her leadership as the President and Chief Executive Officer of the Harris County Hospital District, the hospital district was named among the top 100 hospitals in the United States in 1994 and again in 1995 by Modern Health Care Magazine.

After graduation from Prairie View A&M School of Nursing 35 years ago, Moore began her public health care service in the Jefferson Davis Hospital emergency room. She soon became the emergency center charge nurse.

Through the 1960s and 1970s she moved from evening shift nursing supervisor to assistant director of nursing at Ben Taub hospital. In 1977 she was named administrator at Jefferson Davis Hospital. During this time she earned a Bachelor of Science degree in nursing and a Master of Education degree.

Moore was appointed chief operating officer for the Harris County Hospital District in 1987, and on February 28, 1999, the Board of Managers of the Hospital District appointed her president and CEO. She has, therefore, served us for 10 years in that capacity.

As president and CEO of the Harris County Hospital District, the 6th largest inpatient health care system in the United States, Moore oversaw three hospitals, 11 community health centers, one freestanding HIV-AIDS treatment center, and eight school-based clinics, two very important things.

School-based clinics, they have been proven to be successful in preventative health care, and 11 community health centers, they also have been proven to be successful in preventing disease, in helping people to understand health care.

With the recent statistics that have suggested to us that it has been very difficult for minorities, Hispanics, African Americans, and Asians, as well, to access health care in America, Lois Moore has been a shining star to ensure that her community gets good health care. She has worked with a very good board. We are looking forward to the fact that the board will continue her leadership and her message, and that they will select a person of quality like Lois Moore.