

older Americans without drug coverage. Helping our senior citizens is a moral issue, and the American public is not going to roll over for \$30 million.

Last week, the Citizens for Better Medicare released a study claiming the administration's proposal to provide seniors with prescription drug coverage could lead to employers dropping prescription drug benefits for retirees. However, pharmaceutical manufacturers have been leading the way in increasing prices and forcing employers to stop offering retiree prescription drug benefits. From 1981 to 1999, the cost of prescription drugs increased by 306 percent, while the Consumer Price Index rose only 99 percent.

The cost of prescription drugs continues to skyrocket. The Health Care Financing Administration reports that spending for prescription drugs rose 14.1 percent in 1997, compared to a 4.8 percent increase for health care services overall.

The members of PhRMA are by far the most profitable companies anywhere. Their profits exceed the research and development costs for most large pharmaceutical companies. The drug companies' report claims that employers who currently provide prescription drug benefits for retirees could choose to quit offering the benefit and save money by paying the former employees' Medicare premiums for prescription drugs. However, the proposal that they are criticizing would subsidize employers for continuing to offer their employees a private sector benefit.

There is also nothing forcing employers to offer retiree health benefits, including prescription drugs, to retirees now. And if those benefits have more value than a Medicare benefit, they will have the same incentives to continue offering the benefit. What the pharmaceutical companies are not telling senior citizens is that their doomsday scenario is already becoming a reality because of their own actions.

The fictional character the drug companies have invented for their ads, called Flo, says she has a private sector drug benefit as part of her retirement plan. In real life, only 24 percent of the population on Medicare has meaningful private sector coverage for prescription drugs.

Between 1994 and 1998, 25 percent of the firms that offered health benefits to their retirees quit providing coverage. It just cost too much. Among the largest employers, companies that employ more than 5,000 people, over a third have dropped coverage. One of the most significant reasons employers are dropping coverage is that they can no longer afford to pay the increasingly high cost manufacturers charge for prescription drugs.

Short of that, it is critical that they have access to prescription drugs at a reasonable price. The senior citizens in the District that I am fortunate to represent, and in every district, know that they are simply being robbed. Senior

citizens across the country expect every Member of Congress to address this situation.

Drug companies say uninsured Americans should pay twice as much as their preferred customers and considerably, two to three times as much, more than people in other countries so the international drug companies located in America will continue to invest in research and development. We know we have to have research and development.

The high prices they charge Americans make them the most profitable industry in the world. The industry's profits as a percent of sales are nearly five times, five times, that of the average Fortune 500 company. I have a chart here this evening that shows what percent of various countries' health care expenditures go to developing new prescription medications. The United States is not at the top of the list, as my colleagues can see. The United Kingdom, Japan, France, Italy, and Germany all invest more than the United States in developing new prescriptions.

Addressing the issues of cost and affordability for prescription drugs, as well as finding a reasonable approach to offering drug coverage to Medicare recipients, are important priorities. Pharmaceutical companies need to stop throwing money away creating fictional characters and invest more in creating legitimate new medicines. The American public and this Congress are simply not for sale. We are going to do everything we can to ensure that our senior citizens are treated fairly.

It is absolutely amazing, Mr. Speaker, that this has continued; that we have placed our senior citizens, so many of them, in a position where they have to make a decision whether or not to buy food or buy their medicine on a daily basis. If it just cost that much, then so be it. But the fact is our senior citizens in this country are charged two to three times as much as anyone else in the world for this medicine. We are simply allowing the pharmaceutical manufacturers to take advantage of our senior citizens and, Mr. Speaker, it is time to stop.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I am pleased to join my Colleagues this evening for this special order on Prescription Drug Coverage. I am an original cosponsor of H.R. 664, the Prescription Coverage for Seniors Act and I participated in an event a few weeks ago in Houston to release an international study on the high costs of prescriptions in the Houston area.

This issue is very important to everyone, not just senior citizens. We all know at least one person who has had difficulty obtaining prescriptions due to the cost. Senior citizens happen to be the most vulnerable.

In addition to the legislation that has been introduced here in Congress, there is the President's proposal to reform Medicare that includes a prescription drug component. These proposals have been under attack recently by the ad campaign that features a woman named "Flo."

These Flo ads are misleading because they give the impression that Flo is a concerned senior citizen. She falsely accuses these proposals of interfering in her medicine cabinet—that big government just won't leave her alone.

Although these ads are convincing, they are untrue. The problem is not big government in people's medicine cabinets. The problem is the insurance industry, the largest and most profitable industry in the country. This industry has put these ads out there to fool people into believing that they are not the problem.

These ads may be convincing to some, but many people understand the importance of some form of prescription drug coverage. We know that there are people who do not have insurance at all and prescription coverage would at least help them to have access to beneficial medication.

As I stated earlier, this is a major problem for the elderly, but this is also a major concern for people who have become disabled. My office received a call today from a woman who worked for many years as a teacher before she was stricken with cancer. She had insurance coverage through her husband's plan, but she was dropped shortly after he passed away.

In addition to the agony of battling cancer, she also has congestive heart failure. She was prescribed medication for these conditions, but unfortunately, she cannot afford them.

She called my office because she hoped to offer her story as a human account of the lack of coverage for prescription drugs. She hopes that her story will spur us to action before it is too late.

Although this woman is not a senior citizen, she is disabled and is unable to work. Her insurance company dropped her from coverage and she has had to struggle to get her prescriptions. This situation should not occur in the United States.

In this country, no one should have to make the choice to live without life-saving prescription drugs. We have the resources to ensure that people eat every day, so there is no reason why we have citizens who live at the mercy of the insurance industry.

We have created some of the best medications and treatments in the world, but if our citizens cannot afford them, then these treatments are useless.

Again, I would like to thank my Colleagues for sponsoring this special order tonight. It is important that we tell the American people the truth about the "Flo" ad campaign.

More importantly, it is important for us to hear the stories of Americans who have had to make agonizing decisions about living with the fear of further illness or even death because of the high cost of prescription drugs.

The proposals that provide for prescription drug coverage, such as H.R. 664 and the President's plan need serious attention if we are committed to an enhanced quality of life for seniors and the disabled. I urge my Colleagues to support these lifesaving measures for our most vulnerable citizens.

GENERAL LEAVE

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

The SPEAKER pro tempore (Mr. GREEN of Wisconsin). Is there objection

to the request of the gentleman from Arkansas?

There was no objection.

SENIOR CITIZENS ARE MOST AFFECTED BY HIGH COST OF PRESCRIPTION MEDICATIONS

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

Mr. ALLEN. Mr. Speaker, I rise tonight to talk about a problem that affects millions of seniors across this country and, in fact, millions of other people as well. I am talking about those people who do not have prescription drug coverage. No insurance for their prescription drugs.

This problem affects seniors more than others, because although seniors make up 12 percent of the population, they buy 33 percent of all prescription drugs. And studies done in my district in Maine and, indeed, around the country, in approximately 65 to 70 districts, have shown, on average, that seniors pay twice as much for their prescription medications as the drug companies' favored customers.

Well, who are the favored customers? The favored customers are HMOs, big hospitals and, in fact, the Federal Government, buying either for those who are on Medicare or for veterans, who get their drugs through the Veterans Administration. That price discrimination has to stop. That price discrimination is making it impossible for many seniors to take the drugs that their doctors tell them they have to take.

What we have in this country now is a situation where many seniors are having to choose between food on the table, the electric bill, the rent, and taking the prescription drugs that their doctors have given them. So some people are taking one pill out of three. Some people are not taking their prescription medications at all.

I have had a couple of women write to me and say, I do not want my husband to know, but I am not taking my prescription medication because he is sicker than I am and we cannot both afford to take our medications. That should not happen in this country, but it happens because under Medicare there is no coverage for prescription drugs.

In fact, 37 percent of all seniors have no coverage at all for their prescription drugs. Twenty-eight percent have some form of private coverage through a retiree plan, but that number is declining and will decline further. About 8 percent have coverage through medigap, but medigap policies are expensive and often are really not worth the coverage. Seventeen percent have coverage under Medicare managed care. But, frankly, the managed care prescription drug benefits are being cut back, people are being dropped from the rolls, and the benefit, where it still exists, is more expensive than it used to be.

Now, what is happening? I have a bill that would lower the cost of prescription drugs for the elderly. It is H.R. 664, called the Prescription Drug Fairness For Seniors Act. It does not cost the Federal Government any significant amount of money and creates no new bureaucracy, but it would reduce the prices by as much as 40 percent.

There are those out there attacking both my discount plan and the President's plan for a prescription drug benefit under Medicare. There are ads. This is a picture of Flo. Flo is appearing in newspaper ads and she is also appearing in television ads. Who is paying for the ads that Flo brings? Well, something called Citizens for Better Medicare. Well, who are Citizens for Better Medicare? What a great name. It is the pharmaceutical industry primarily. The drug manufacturers. What they are telling us all is that we need to keep the government out of the medicine cabinet, but in fact what they are really trying to do is make sure that their profits continue.

This is the most profitable industry in the country, and it spends its money, millions of dollars, \$30 million, to try to persuade people that what they really want is a program that will continue the high prices that people pay for Medicare.

Now, Flo, of course, is a fake. She is an actress. She is not a real person. There are lots of real people in my district who are having trouble paying for their prescription drugs, but Flo is one of the 28 percent, arguably, who actually have prescription drug coverage.

□ 2000

But she feels no compunction, her pharmaceutical manufacturer sponsors feel no compunction in trying to make sure that the 37 percent with no coverage at all do not get any further breaks. It is outrageous.

There is price discrimination going on in this industry against seniors right now. It needs to stop. Flo says, "We don't want big government in our medicine cabinet." But without the Food and Drug Administration, we could not be sure that the drugs in the medicine cabinet are safe and effective. Without the government, people on Medicaid would have no drugs in the medicine cabinet at all. So the poorer people in this country are getting their prescription drugs paid for but people who are just above the poverty line are not. They are the people who often have several hundred dollars a month in prescription drug costs and they cannot do it.

We need to pass H.R. 664, the Prescription Drug Fairness for Seniors Act. We need to resist what Flo is trying to say. We need to stop big money in politics.

CONFERENCE REPORT ON H.R. 2606, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2000

Mr. CALLAHAN (during the special order of Mr. OWENS) submitted the following conference report and statement on the bill (H.R. 2606) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2000, and for other purposes:

CONFERENCE REPORT (H. REPT. 106-339)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2606) "making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2000, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2000, and for other purposes, namely:

TITLE I—EXPORT AND INVESTMENT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: Provided, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country other than a nuclear-weapon state as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date of the enactment of this Act.

SUBSIDY APPROPRIATION

For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, \$759,000,000 to remain available until September 30, 2003: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That such sums shall remain available until September 30, 2018 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 2000, 2001, 2002, and 2003: Provided further, That none of the funds appropriated by this Act or any prior Act appropriating funds for foreign operations, export financing, or related programs for tied-aid credits or grants may be used for any other purpose except through the regular notification procedures of the Committees on Appropriations: Provided further, That funds appropriated by this paragraph are made available notwithstanding section 2(b)(2) of the Export Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, any Baltic State or