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House of Representatives

The House was not in session today. Its next meeting will be held on Tuesday, June 29, 1999, at 12:30 p.m.

Senate

MONDAY, JUNE 28, 1999

The Senate met at 12 noon and was called to order by the President pro tempore [Mr. THURMOND].

PRAAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, Sovereign of this Nation and Lord of our lives, we thank You for outward symbols of inner meaning that remind us of Your blessings. The sight of our flag stirs our patriotism and dedication. It reminds us of Your providential care through the years, of our blessed history as a people, of our role in the unfinished and unfolding drama of the American dream, and of the privilege we share living in this land.

Today, as we pledge allegiance to the flag, we recommit ourselves to the awesome responsibilities You have entrusted to us. May the flag that waves above this Capitol and the flag here in this Chamber remind us that this is Your land.

Our flag also gives us a bracing affirmation of the unique role of the Senate in our democracy. In each age, You have called truly great men and women to serve as Senators. May these contemporary patriots experience fresh strength and vision, as You renew the drumbeat of Your Spirit, calling them to march to the cadence of the rhythm of Your righteousness. In the name of our Lord and Savior. Amen.

PLEDGE OF ALLEGIANC

The PRESIDENT pro tempore. We will now have the Pledge of Allegiance to the flag led by Senator KYL.

The PRESIDING OFFICER (Mr. KYL) led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER. The Senator from Alabama is recognized.

SCHEDULE

Mr. SESSIONS. Mr. President, on behalf of the majority leader, I would like to note that the Senate will now be in a period of morning business until 1 p.m. Following morning business, the Senate will resume consideration of the agriculture appropriations bill. Under a previous order, the Senate will begin a series of up to four stacked cloture votes at 5:30 p.m. Those votes will be on invoking cloture on the agriculture appropriations bill, followed by cloture on the motion to proceed to the transportation appropriations bill, cloture on the motion to proceed to the Commerce-State-Justice appropriations bill, and cloture on the motion to proceed to foreign operations appropriations. Therefore, Senators can expect the first vote to begin at 5:30 p.m.

I thank my colleagues for their attention.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 1 p.m. with Senators permitted to speak therein for 10 minutes each.

The Senator from Alabama is recognized.

(The remarks of Mr. SESSIONS pertaining to the introduction of S. 1289 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SESSIONS. I yield the floor.

Mr. WYDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

MEDICARE PRESCRIPTION DRUG COVERAGE

Mr. WYDEN. Mr. President, and colleagues, this is going to be an important week in the debate about the future of the Medicare program. The White House is coming forward with several useful Medicare proposals. Democrats and Republicans on both sides of the Hill are similarly focused.

This morning I have come to the floor to zero in on the issue of prescription drug coverage for older people under Medicare. I believe if the Senate builds on a bipartisan proposal already approved by a majority of Senators, it will be possible to responsibly add prescription drug coverage to the Medicare program in this session of the Congress.

A few weeks ago, 54 Members of this body voted for legislation offered by

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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Senator OLYMPIA SNOWE and myself to finance prescription drug coverage for seniors under Medicare with a tobacco tax. Senator SNOWE and I have now developed a specific proposal that calls for a 55-cent-a-pack tobacco tax that would be used to cover the prescription drug needs of older people under Medicare. We think that is appropriate because, of course, the Medicare program spends upwards of \$10 billion a year simply paying for tobacco-related illnesses that older people have suffered.

Under the Snowe-Wyden proposal, we would be able to raise \$70 billion in order to cover prescription drug benefits for older people over the next 10 years. That is hard dollars to cover this important benefit. It is not phantom funding. It is not sleight of hand. It is not a kind of wish-and-hope, pie-in-the-sky way to take care of this particular need for older people. It is a concrete, tangible concept.

A majority of the Senate, Senators of both political parties, have voted for it. I am very hopeful that it will be possible now for the Senate to build on this support, with bipartisan approval, to actually get the job done and support older people.

In the legislation that Senator SNOWE and I have put together, we envision this \$70 billion being used to assist older people with the insurance premiums that they now pay for Medicare supplemental policies. As we know, many of our seniors have Medicare supplemental policies. Many of our seniors participate in what is called Medicare Choice, a program that involves Medicare HMOs. It may well be that a number of seniors wish to purchase policies that cover only prescription drugs.

But what Senator SNOWE and I have developed would be voluntary. No senior would be required to do it. The Presiding Officer and I will recall the catastrophic care fiasco of several years ago when older people were concerned about being required to pay for something they did not really need or did not particularly want.

That would not be the case under the legislation developed by Senator SNOWE and I. It would be voluntary if an older person chose to participate in the program; and \$70 billion in real funding would be eligible to assist the older people who desire to have that coverage as part of their Medicare.

Senator SNOWE and I believe the best way to deliver this coverage is to build on a model that Members of Congress know a fair amount about, and that is the Federal employee health plan.

Senator SNOWE and I recognize that program covers different people than we would be covering under Medicare, so our delivery system for this particular benefit would be a kind of senior citizen's version of the Federal employee health plan. We call it the SPICE Board. It stands for Senior Prescription Insurance Coverage Equity. We consider it a kind of senior citizens' friendly version of the Federal employee health plan.

We have incorporated some of the very good ideas that have come from Families USA, the seniors' advocacy group, the National Council of Senior Citizens, and a variety of the senior citizens' organizations, to ensure that the SPICE Board that would deliver this system would offer choices and competition for older people but at the same time would not allow cherry-picking; so that a plan could not take just healthy people, it would make sure there were protections against adverse selection.

We bar the use of preexisting conditions. A lot of the problems we have seen with insurance coverage in the past would not be allowed under the SPICE Board because we have incorporated many of the good ideas that have come from AARP and Families USA and the National Council of Senior Citizens so as to ensure that the SPICE Board would offer these benefits to older people in a senior-friendly way.

At the same time, it is important to note that this is a competitive model. This will help us to hold costs down because older people would have the kind of bargaining power, through the SPICE Board, that an HMO has today when it bargains for younger people getting prescription drug coverage under the Federal employee health plan.

I think it is particularly sad to see older people, many of whom have 16, 18, 20 prescriptions they are using in a year, paying well over \$1,000 out of pocket for their medicine. It is particularly outrageous that they end up paying a premium, since they don't have coverage, when they walk into a pharmacy and pay out of pocket. They have to pay more because, in effect, they are subsidizing those who have bargaining power in the private sector who get their coverage through a managed care plan.

We use an approach that uses markets, offers choice, avoids price controls, but makes sure that through the SPICE Board, older people would have the kind of bargaining power and clout we see HMOs having in the private sector.

I am very hopeful that this week, as the Congress moves to have a vigorous discussion about Medicare—the President's proposal is coming tomorrow; our colleagues on both sides of the Hill expressing great interest in this issue—Members will reflect on the fact that a majority of the Senate has already voted for the Snowe-Wyden proposal to finance this coverage with a tobacco tax. It is only fair, because of the costs Medicare incurs related to tobacco. We know now that a bipartisan group of Senators is willing to at least look at that approach to finance this coverage.

I am also very hopeful that our colleagues will steer clear of some of these price control ideas that would create more bureaucracy. Incidentally, most of these price controls just shift the cost onto the backs of other con-

sumers. I am very fearful that if we set up a price control regime for older people under Medicare, a lot of low-income folks, African Americans, Hispanics, and others would end up seeing the costs shifted onto them because they wouldn't have any protection from this price control regime.

In addition to the real intangible way that is going to be essential to finance this program, we ought to use a concept the Congress is familiar with for delivering the benefit. Under the Senior Prescription Insurance Coverage Equity Program, the SPICE Program, we would be able to do that. We would be able to deliver the benefit in a way that allows senior citizens to exercise clout in the marketplace and be in a position to hold their costs down. There would be real consumer protections because we have incorporated the good ideas from Families USA and AARP and the National Council of Senior Citizens.

I am very hopeful as this debate goes forward this week, our colleagues in the Senate will see there is a chance to avoid some of the bickering and partisanship that has accompanied other issues, look to giving older people this important preventive benefit that is so critical but financing it in a real way, not with phantom kind of money, and then delivering the benefit in a way that steers clear of price controls but gives older citizens in our country the kind of bargaining power an HMO has so the older people can get reasonable prices for their coverage.

I know the Presiding Officer has a great interest in this issue. He and I have worked often on this matter. He can count on the fact that Senator SNOWE and I will be visiting with him, as well as other colleagues, because it is our intent to do everything possible to keep the Senate, at least on the prescription drug issue, focused on the real needs of older people and the opportunity to address this issue in this session of Congress with real and hard financing and a delivery system that will work for the 21st century.

I yield the floor.

TRIBUTE TO GENERAL JAMES L. JONES, JR.

Mr. CLELAND. Mr. President, it is a distinct honor and personal privilege for me to pay tribute to two distinguished Americans. One of them is General James L. Jones, Jr., the newly confirmed 32nd Commandant of the United States Marine Corps.

The general hails from Kansas City, Missouri. He spent his formative years in France where he acquired his fluency in the French language.

He is a graduate of Georgetown University School of Foreign Service and I understand he still keeps up a Georgetown tradition by playing a little basketball now and then.

General Jones is a warrior—part of a family of distinguished marines. His father commanded a Marine Corps Force