

seen them leaving in droves, including the States of Connecticut and my own State of Massachusetts. It has been true in the State of Maryland. There is one HMO left in the State of Maryland. Now we have 30 percent of all beneficiaries living in areas with no HMOs.

Private insurance premiums will increase 10 to 30 percent this year. This is the principal concern. In the first 4 years, 29 million senior citizen otherwise eligible under Medicare will not be able to participate in the Bush program. After that, it will be built upon the HMOs without a defined benefit package, without any indication of what the premiums, copays, or deductibles are going to be.

The alternative is a very impressive and significant downpayment in the commitment of this country to building on Medicare. I know there are many—and probably most—who are opposed to building on Medicare, who are against the Medicare system in any event. One doesn't have to be a rocket scientist to understand that. But we believe the Medicare system has worked and is working. It has to be strengthened, it has to be improved. There are many features in terms of health care that it doesn't cover. It don't cover the eye care, dental care, or foot care that it should. It doesn't do the prescription drug coverage, which is life and death. That is the major opening.

We find under the Bush plan the benefits provided are guaranteed to not be adequate. The Bush program allocates \$100 billion less to prescription drug coverage than the Gore plan over 10 years. The reason for this large gap is obvious. The Bush approach allocates too much of the surplus to tax breaks for the wealthy, and too little is left to help our senior citizens.

Under the Bush plan, the Government contributes 25 percent of the cost of prescription drug premiums—half as much as under the Gore program. In the entire history of Medicare, citizens have never been asked to pay such a high proportion of the cost of any benefit. They have never been asked to pay such a high proportion of the cost of any benefit. The nonpartisan Congressional Budget Office has estimated under the similar Republican plan passed by the House of Representatives, benefits would be so inadequate, costs so high, that more than half of the senior citizens who need help the most will not be able to participate. Any prescription drug benefit that leaves out more than 6 million of our senior citizens who need the protection the most is not a serious plan to help senior citizens.

Perhaps the worst aspect of the Bush plan is that it makes prescription drugs available to senior citizens only if they also accept the extreme changes in Medicare that would dramatically raise premiums for their doctors and hospital bills and coerce the most vulnerable seniors to join HMOs. That is not the kind of Medicare coverage and

it is not the kind of prescription drug benefit the American people want.

Under Bush's vision of Medicare reform, the premiums paid by senior citizens for conventional Medicare could increase by as much as 47 percent in the first year and continue to grow over time, according to the non-partisan Medicare actuaries. The elderly would face an unacceptable choice between premiums they can afford and giving up their family doctor by joining an HMO.

Senior citizens already have the right to choose between conventional Medicare and private insurance that offers additional benefits. The difference between what seniors have today and what George W. Bush is proposing is not the difference between choice and bureaucracy, it is the difference between choice and coercion, driven by the right-wing Republican agenda to undermine Medicare by privatizing it. On this ground alone it deserves rejection. We don't have to destroy Medicare in order to save it.

There is still time this year for Congress to enact a genuine prescription drug benefit under Medicare. AL GORE and the administration have presented a strong proposal. Let's work together to enact it. The American people are waiting for our answer.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

#### MEASURE PLACED ON THE CALENDAR—S. 3021

Mr. GREGG. Mr. President, let me begin by stating I understand there is a bill at the desk due for its second reading.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill to provide that a certification of the cooperation of Mexico with United States counterdrug efforts not be required for fiscal year 2001 for the limitation on assistance for Mexico under section 490 of the Foreign Assistance Act of 1961 not to go into effect in that fiscal year.

Mr. GREGG. I object to further proceedings on this bill at this time.

The PRESIDING OFFICER. The bill will be placed on the calendar.

#### HEALTH CARE

Mr. GREGG. Mr. President, ironically, I came to the floor to talk about some of Vice President GORE's proposals, specifically in the areas he is spending money. The fact he has created this Pyrrhic lockbox—not Pyrrhic, this mystical lockbox he is claiming for the extra surplus which has been identified under the new budget estimates, which is mystical because he has already spent the entire surplus plus whatever would occur as a result of the increased estimates on the surplus. In fact, according to the Budget Committee, he spent under the high es-

timate almost \$1 trillion more than the surplus. As a result, he is significantly invading the Social Security accounts.

But having listened to the Senator from Massachusetts, I do not believe his words can go unanswered because he has, first, made a number of statements which are inaccurate about Governor Bush's proposals on the drug plans for seniors and, second, I think he has put forward the basic premise of the debate between the two parties on the issues that should be answered. Let's begin there before I go to the specifics of the areas of his presentation, which were unfortunately numerous as they related to Governor Bush's positions. The difference here is fairly simple between the two approaches.

What was very distinctly stated by the Senator from Massachusetts is that they want to create—they use the term "universal," but a 100-percent program in the drug benefit area, which is totally managed by the Federal Government—100 percent. Vice President GORE wants to do for prescription drugs what Hillary Clinton wanted to do for health care generally. He wants to take "Hillary Care," which is essentially a nationalization of health care, and apply it to the prescription drug program.

There are a lot of problems with nationalizing the prescription drug program, with having the Federal Government take over the senior citizens' ability to buy drugs. I think most seniors understand that having the Federal Government tell them what they are going to be able to buy in drugs, exactly what type of drug program they are going to have—and it will be one size fits all for this entire country—I think most seniors have an inherent understanding, as most Americans have an inherent understanding, that that program has some significant flaws.

One of the reasons this Congress and the American people so enthusiastically rejected "Hillary Care" is that people intuitively understand that taking a program and turning it over to the Federal Government to operate, specifically when that program is critical to one's well-being, as is health care, is putting at risk one's health care, by definition.

So the Gore plan is essentially a nationalization plan. The term is used "universal, 100 percent." That means the Government runs it all. Well, 68 percent of the seniors in this country today already have a drug benefit. Many of them are fairly happy that they are able to go out and purchase a drug benefit that is tailored to what they need. There are, obviously, a lot of seniors in this country who need assistance in purchasing that drug benefit. There are a lot of seniors in this country today who do not have adequate coverage in drug benefits. The concerns of those seniors need to be addressed. But we don't address them by taking all the other senior citizens of this country who have set up their own

systems—and most of them come as a result of their employer continuing to cover their drug benefit as a result of their retirement—and saying to them: No longer can you participate in your employer plan, no longer can you participate in a plan which you chose which covers the needs which you and your family have. No. Now you must participate in a plan designed by Vice President GORE and a group of bureaucrats here in Washington under the guidance of the Senator from Massachusetts, and you either participate in that plan or you get nothing. When you participate in that plan, you don't get options. You have to do exactly what the Federal Government says. That can be a nightmare. That can be a nightmare, as we all know.

That is the fundamental difference. What Governor Bush has put forth is a proposal which will address the needs of seniors who do not presently have adequate prescription drug coverage and will address it in a way that allows seniors to have choices. It allows them to tailor their health care plans to what they need, not to what somebody here in Washington thinks they need. That is the difference of opinion here. There is the Washington mindset which says we in Washington actually know better than you do, John Jones out in Iowa, what you need to buy for your prescription drug benefits. It is this arrogance, this elitism that just permeates Washington and which was so precisely stated in the "Hillary Care" package and which is now just being repackaged with new words—"universal, 100 percent"—under the Gore drug plan.

Governor Bush has put forward a very thoughtful, very aggressive proposal in the area of prescription drugs that does address the needs of seniors who cannot afford those programs and seniors who need assistance in those programs. It was, regrettably, misinterpreted by the Senator from Massachusetts. To begin with, it doesn't start 4 years from now. It actually begins much sooner and potentially 2 years sooner than the Gore plan. The Gore plan does not go into effect until 1 year after the date of enactment, which means we are probably looking—should we have the fate of having the Vice President become President, we are probably looking at somewhere around the year 2002 before it even gets operating.

That is a pretty optimistic viewpoint. The Senator from Massachusetts said Texas took a long time to participate in the CHIPS program and all the other States took a long time to participate in the CHIPS program. What was that? That was an attempt by the Federal Government to make sure all the kids who are low income, who need insurance in this country, get health insurance. It was passed by the Congress.

Do you know how long it took this administration to put in place the regulations to manage the health care

plan for children, CHIPS? They have not done it yet. They are still working on those regulations. Why have States not been able to put their CHIPS program into place quickly? Because the regulations have taken so long to get in place. They have a majority of them in place now, but it literally took years to get the regulations in place so the States could comply with them.

So the idea that the Vice President, should he be fortunate enough to be elected President, is going to put in place a drug program that is going to be managed by the same agencies that manage the present systems, that manage the health care system we have—and they couldn't even do that—is going to set up a program for the country in a prompt way is, on its face, not believable.

The fact is his plan, if he is lucky, assuming he was able to pass the nationalization of the prescription drug programs in this country, assuming he was able to inflict "Hillary Care," relative to drugs, on our people, assuming he was able to get that through the Congress, there is no way that plan would be in place and operating even by the year 2002, which he claims it could be. Maybe 2003; maybe 2004.

This timeframe thing the Senator from Massachusetts talked about is just a lot of mush. The fact is, the Gore plan, by definition, cannot start until 2002, and we know, as a practical matter, the way the Federal Government operates, and especially the way HCFA operates, there is no way it will be operating until probably sometime in 2005, whereas Governor Bush has proposed a unique and creative idea. He recognizes that what we need is fundamental Medicare reform. We need to bring all the parties to the table and reach a Medicare package that will reform the whole system to get efficiencies into the system, to reduce the costs of the operation of the system, to make it work more like a system for the 21st century rather than a system designed in the sixties, which is the way it works today.

He said it is going to take time to develop that package, it is going to take time to develop that comprehensive agreement, bipartisan in nature, so let's have a bridging program and let's begin the bridging program immediately. He said one of his first pieces of legislation will be a bridging program in the area of drugs which will allow the States, during the period when the Federal Government is working out major Medicare reform, to address not only drug benefits but everything else that deals with Medicare. During the period when the Federal Government is working on that, he said let's set up a specific program that will benefit seniors who need prescription drugs as a bridging program. That program can be in place—if the Congress actually wants to get to work, that program can be in place by March of next year.

There is a distinct difference in timeframe, yes. The difference is, under the

Gore proposal, which is nationalization of the prescription drug program, which is "Hillary Care" for the prescription drug program, it puts all seniors in America under one system managed by the Federal Government. We know it is going to be a bureaucratic disaster and there are going to be a lot of delays. By definition, his plan does not start for 2 years, whereas what Governor Bush suggested is that he understands Government takes time to address major issues such as this, so let's put in a bridging program and start the program early. There is a time difference. The difference is Governor Bush's plan starts a heck of a lot earlier than the Vice President's plan. The Senator from Massachusetts was wrong in that assessment.

Secondly, the Senator from Massachusetts—there are a whole series of points, and I am not going to be able to cover them all—the Governor's plan only covers 25 percent of the cost and we cover 50 percent of the cost. I remember a story told by an attorney in New Hampshire who represented the northern part of New Hampshire. He said he was once working for a logging company and sent back a report. There were five loggers at this base camp, three men and two women. One of the women married one of the men, and a report said that 50 percent of the women had married 33 percent of the men. This statistic is one of those types of statistics. It is a nice statistic. It may make sense, but if you look behind it, it makes absolutely no sense because the statistic is based on two different programs.

The Gore plan, yes, covers 50 percent of the cost, but what it says is every American must use the federalized system of drug care. As I mentioned earlier, 68 percent of senior citizens already have a drug program. Many of them do not need a new drug program. Some may want to opt into a new drug program if it is available, but many of them do not. They are quite happy with what they have from their company which continued to cover them after they retired. If they have to pay 50 percent now under a Federal program, it actually works out for many seniors that the premium costs of the Gore plan will be higher than the premium costs which they have for their present drug program.

If one looks behind this 50-percent number, it becomes very clear that it is not a positive number for seniors, it is very negative for a lot of seniors who will end up paying more for their drug benefit than they pay today because they are going to be put in a Federal plan where the premium costs more than the premium they have today, and they do not have any choice, they have to go into the Fed plan. Why? Because AL GORE knows better; because the Members on the other side of the aisle know better; they are smarter than the rest of Americans; they

should design the plan for the rest of Americans, and it should be run out of Washington. It is called elitism and, as I said, it permeates this city. Whereas under Governor Bush's plan, yes, 25 percent of the premium will be picked up by the Federal Government, but he also said this is an option, this is not a requirement. In other words, a senior will take that option if it is a better deal than what they already have.

He has also said that for low-income seniors, people at 175 percent of poverty, his plan covers all the premium. So let's not have any of this class warfare jargon we have been hearing from the other side of the aisle through their convention and since then. Actually, Governor Bush said he will cover all the premium for people up to 175 percent of poverty; the Vice President said he is only going to cover all the premium up to 150 percent of poverty. Governor Bush has exceeded, for low-income seniors, the assistance that will be given.

This 25-50 percent is a nice number, but it has no relevance to reality because they are two different plans which have two huge, different impacts on the flow of events around how this is covered.

Then the Senator from Massachusetts went on to say that block grants are a terrible idea generally, which has always been the theory coming from the other side of the aisle because they do not like to give States any authority, and especially in this instance it is a bad idea because of, as I mentioned earlier, the time lag between when the block grant is created and when the States will be able to operate under it.

The point is, once again, that is a Democratic approach to a block grant. A Democratic approach to a block grant is: We will give you the money, but we will set up a whole bunch of strings in Washington which you have to comply with before you get the money. Governor Bush's proposal is a real block grant. "Block grant" has become a pejorative. It should not be a pejorative. It is a return of funds to the States, and it says to the States: Manage these funds for low- and moderate-income seniors so they have a drug program.

I happen to think States are going to do that more effectively than HCFA has done their job in a variety of different areas, or the other Medicare activities that have occurred. I am willing to put the State of New Hampshire up against the Federal bureaucracy in health care any day of the week, and I can absolutely assure you that New Hampshire citizens are going to get a lot better care when the State of New Hampshire is making the decisions than when some bureaucrat in some building in Washington is making decisions under the guidance of Hillary Clinton or under the guidance, in this case, of Vice President GORE. Why can I say that? Because it is a fact. It is the way it works today. We have seen it time and time again.

This proves the point of what I am saying: that HMOs have been dropping their participation like flies, radically. The Senator from Massachusetts pointed out that HMOs have been moving out of States, as they have in New Hampshire—senior HMOs, Medicare HMOs. That is absolutely right. Why? Because the Federal Government under this administration shortchanged the reimbursement to HMOs. HCFA specifically undercut the ability of Medicare HMOs to function because they would not reimburse Medicare HMOs at a reasonable rate.

It has become such a crisis that before this Senate adjourns and before this Congress adjourns, we are going to adjust that. Unfortunately, so much of the damage has been done by this administration's Health and Human Services Department that I am not sure we are going to recover the HMOs. He is proving my point by saying the HMOs are falling out of business. It is another classic example of a statement which, on its face, may make sense, but if you look behind it, just the opposite is the fact.

It is like another story in New Hampshire, another legal story, which is the guy who shoots his parents and then goes to the court and claims he is an orphan and throws himself on the mercy of the court. The administration is shooting the Medicare HMOs, left and right, because they will not reimburse them. Then they come here and say: Oh, the Medicare HMOs are falling off; therefore, plans can't work because they might use Medicare HMOs. It is a little hard to accept that logic. And it is especially inappropriate for that argument to be made, in my opinion, from people in this administration.

So beyond the specific errors of the statement, which I think were considerable as they related to Governor Bush's proposal, and which I have tried to outline—I am sure I have not hit them all because I am not that intimately familiar with the entire package; but even with general familiarity, I noticed a number of mistakes—beyond that, it really does come back to this basic philosophical difference: Do we want to give our senior citizens in this country the opportunity to have quality prescription drug coverage, which they get to choose, and have some part in the participation, in making decisions as to what it will be, what type of coverage they want, and how much it will benefit their families, or do we want to nationalize the prescription drug care process in this country, and have what is essentially another slice of "Hillary Care" put upon the Nation?

That is the difference. That is the difference between these two approaches. Both approaches try to address the needs of the low- and moderate-income seniors and give them adequate health care and drug coverage. Governor Bush's proposal does a little better job because he takes 175 percent of poverty and covers all the

premiums up to that, and Vice President Gore's proposal only goes to 150 percent of poverty.

So we are not talking anymore about whether or not low-income seniors are going to have adequate drug care. We are talking about timing. Governor Bush's proposal moves a lot quicker than Vice President GORE's in getting the money out and getting support to seniors.

But what we are really talking about is the ability of seniors to play a role and have participation in the choice of the drug care they get as versus having the Federal Government doing it all.

So that is a response to Senator KENNEDY's comments on drugs, which I guess we are going to hear a lot more about, and which I am sure the Senator will have a response to my response, if he decides he deems it worthwhile.

I was going to discuss this other issue, so let me quickly discuss it. I know the Senator from Idaho has been very patient.

I do have to make this one point that this chart illustrates which is that the Senate Budget Committee took a look at the Vice President's proposals. Anybody who has been listening to the Vice President wandering around the country knows he has gone to just about every interest group in this country and has suggested money he will spend to assist them in some program, which is his right and, obviously, his philosophical viewpoint. But at some point you have to pay the piper. You have to add those numbers up.

So the Senate Budget Committee added those numbers up. When you get to the bottom line, which is shown on this chart, the surplus, over the next 10 years, which is \$4.5 trillion, is entirely spent.

We have heard a lot from the Vice President about how Governor Bush's proposal of the \$1.3 trillion tax cut, which is about a quarter of the entire surplus, is going to eat up the surplus and, therefore, not leave anything for anybody else. But what we do not hear about, because maybe the press has not focused on it because it is a lot of numbers—but they can now go to the Senate Budget Committee numbers and focus on it fairly easily—is that Vice President GORE has already spent the surplus. He has spent the entire surplus.

If you use the low range, he has overspent the surplus by \$27 billion. That is the low range. That is if you give him every benefit of the doubt. If you use the high range, which is not an outrageous high range—if it were my high range, it would be a lot higher than this is from the Budget Committee; and they tend to be fairly conservative number crunchers up there—it comes up to \$900 billion, almost \$1 trillion, that he has spent that exceeds the surplus. From where does that come? That comes from Social Security. That is what you end up hitting.

There are a couple numbers on this chart that stand out like sore thumbs

that I want to mention quickly, and then I will stop.

First, the tax cut relief. In the entire Gore package—we have a \$4.5 trillion surplus—do you know how much tax cut relief there really is? The Vice President says he has \$500 billion, but that is, once again, one of these numbers which, if you look behind it, is not really there. The net tax cut relief in his package is \$147 billion out of a \$4.5 trillion surplus.

The American people are paying \$4.5 trillion more to the Federal Government than the Federal Government needs to operate. That is what the surplus is. Everyone in this room, everyone in America who pays taxes is paying taxes which the Federal Government does not need to operate. It adds up to \$4.5 trillion. And all that the Vice President can agree to give back in the way of a tax cut—and it is not really a tax cut, returning taxes that do not need to be paid—is \$147 billion out of \$4.5 trillion. It is incredible.

That number distinctly reflects the view that any money that comes to Washington is not the money of the taxpayers; it is the money of the people who live in Washington. It is the Vice President's money; therefore, he does not have to give it back. It is the Government's money. They don't have to give it back. Not in my view. Not in Governor Bush's view, which is that it is the taxpayers' money. It comes out of your pocket. It is your taxes. It is your money. If the Government has too much of it, let's give it back.

The second item that I want to highlight is this retirement savings plus plan, which is a brand new major entitlement of huge proportions and a massive increase on the next generation. This is only a 10-year number shown on the chart. That number explodes, as you move into the outyears, into trillions. It is the most significant major entitlement ever put on the books of the American Government, in my opinion—if it were to pass. It will exceed Medicare by a huge function in the outyears, as we head toward the year 2030, I believe. But it will at least be competitive with Medicare as a massive new entitlement program.

Who is going to pay it? The next generation. Our kids. My daughter who just got her first job. She is out of college, which we are very happy about because we don't have to pay tuition. She got a job, which we are even more happy about. Unfortunately, around about 10 or 15 years from now, assuming she keeps her job, she is going to be paying taxes at an outrageous rate in order to support a brand new entitlement put on the books by Vice President GORE, if he should become President. That, to me, is a little number in there that seems little in this package, although it is huge—obviously, even in this package; \$750 billion on the upper side. That is not talked about much but should be looked at by the American people as they consider who they are going to vote for in this coming election.

Mr. President, I appreciate the courtesy of the Senator from Idaho in allowing me to proceed for a little extra time.

I yield the floor.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, may I ask where we currently are in the order?

The PRESIDING OFFICER. We should be proceeding to H.R. 4444, but if the Senator wishes to speak on a different subject, he certainly can ask unanimous consent to do so.

Mr. CRAIG. Mr. President, I ask unanimous consent to speak as in morning business for as much time as I consume.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRAIG. Mr. President, I thank the Senator from New Hampshire, first of all, for being on the floor this morning to discuss what I think is a very important issue. For any of us who were listening to the Senator from New Hampshire and the Senator from Massachusetts, let me see if I can get this together.

If you are for the Gore prescription drug health plan, then you are going to have a major premium increase, and you may get the plan in 8 years. It will be a Government plan, and it will be a major Government takeover of health care for the seniors in this country. And it will be limited to no choice.

If you accept what Governor Bush is proposing, then you have a substantially greater choice. The plan is back to the States, where doctors and nurses and local health care delivery systems deliver it, and you do not move toward a major federalization of health care.

We had this debate in 1992 and 1993. About 70 percent of the citizens of the country said: We don't want the Federal Government as the deliverer of health care and health care components, including prescription drugs.

Is there a difference in the debate today? Not at all. Do the seniors of America want the Federal Government to control their health care or do they want to control it themselves with optimum choices, similar to what we as employees of the Federal Government have today? The Federal Government doesn't control our health care. We choose. We pay some premium, obviously, to offset the costs, and we have choice in the marketplace.

I think as the debate goes on through September and October, the clear differences will come out, and they will be very simple. I think it is important that we think of it that way. It is called "Gore and the Federal Government and health care," or "George W. Bush and you and your choice at the local level delivering health care for yourselves with optimum choices and flexibility."

#### THE DEMOCRATS' STRATEGY

Mr. CRAIG. Mr. President, I have to respond to something that was in to-

day's USA Today paper, September 8. I know the Presiding Officer is a member of our leadership. Let me, for a few moments, tell you what he and I are going to expect in the final month of this Congress. I am quoting now an article about Senate minority leader TOM DASCHLE. It is reported here that they have a simple strategy; the Democrats have a simple strategy for winning the final negotiations over spending.

In other words, they want to spend more of your money than we are proposing to be spent by some billions of dollars. Here is their strategy, and he admitted it: Stall until the Republicans have to cave in because they can't wait any longer to recess. That means shut the Congress down and get out on the campaign trail. Why? Well, because 18 of the 29 Senators seeking reelection are Republicans this year and 11 are Democrats, and there are a lot of vulnerable Republicans, according to Senator DASCHLE. He says, "We only have one vulnerable Democrat, and he happens to be just across the river." I think he was probably referring to Senator CHUCK ROBB.

Well, if that is the strategy of the Democrats, let me repeat it because that is what they have been doing for 3 long months: Stall, stall, stall. Yet they turn around and tell our friends in the press it is a "do-nothing Congress." I don't see how the press can mix that one up as much as they have. You have the minority leader of the Senate admitting that their strategy for the balance of September will be to stall until the Republicans cave.

Thank you, Mr. DASCHLE, for telling us your plan. We will attempt to offset those by working as hard as we can. It probably means we will be working late into the night so that we can get the work of the Congress done, get our appropriations bills finished, deal with the most important trade issue that is on the floor—PNTR—and that is, of course, permanent normal trade relation status for China.

#### THE PRESIDENT IS BEGGING FOR OIL

Mr. CRAIG. Mr. President, for a few moments this morning, before we get on with the debate on PNTR, I want to deal with an issue happening in New York City right now. Our President is up there at the United Nations Millennium Summit. Mr. President, there is something going on on the side. In a back room, the President of the United States has been sitting down with a Saudi Arabian sheik. Here is why: He is begging. The President of the United States is begging a Saudi sheik to reach over and turn their oil spigot on a little more and increase their output of oil by about 700,000 barrels a day. Why? Because in the last few days, crude prices have spiked to an all-time high of \$35.39 a barrel.

Why has that happened? Because the market has analyzed that there isn't enough oil and the demand is ever increasing, and there is no strategy in