Mr. President, I repeat what he says: I will not be able to afford sanity. He takes pills to keep himself sane.

I have a communication from Gail Rattigan, who is a registered nurse. She lives in Henderson, NV.

Senator REID: I am a [registered nurse] who recently cared for an 82 year old woman who tried to commit suicide because she couldn't afford the medications her doctor had told her were necessary to prevent a stroke. It would be much more cost effective for the government to pay for medications that prevent these serious illnesses than expensive hospitalizations. These include but are not limited to blood pressure medications, anti-stroke anticoagulants, and cholesterol medications. The government's current policy of paying for medications only in the hospital is backward. Get into health promotion and disease promotion and save money. Please share this message with your republican colleagues. Thanks for your support. Sincerely, Gail Rattigan.

She is right. We need to move on and do something about giving senior citizens who are on Medicare prescription drug benefits. We need to do that at the earliest possible time.

The PRESIDING OFFICER. The distinguished Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I ask unanimous consent to speak in morning business.

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

PERMANENT NORMAL TRADE RELATIONS FOR CHINA

Mr. BAUCUS. Mr. President, I would like to respond to comments made over the past week in the press and elsewhere questioning Vice President GORE's support of the superb agreement negotiated by Ambassador Barshefsky with China as part of the WTO accession process. I have spoken with the Vice President. I am totally confident that he fully supports the Administration's position. He believes that the bilateral agreement is an excellent one. He believes that it is vital that the Congress approve permanent normal trade relations status as early as possible this year.

The Vice President sent a letter outlining his position to Jerry Jasinowski, President of the National Association of Manufacturers, on February 18. I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

February 18, 2000.

Mr. JERRY JASINOWSKI,
President, National Association of Manufacturers, Washington, DC.

DEAR JERRY: As our country turns its attention to the issue of trade, and whether Congress should approve permanent, normalized trade relations with China, I want to share my views.

As I have said publicly and privately, I support the agreement reached by our Administration on the terms under which China will be permitted to accede to the World Trade Organization. This agreement was negotiated in order to secure economic and security benefits. Specifically, this agreement obtains meaningful benefits for American workers and companies by expanding and opening the Chinese market. Moreover, this agreement will advance our goal of opening up China to the world. I believe that Congress should enact legislation to secure these goals—in the form in which they have been negotiated—this year.

I want you to also understand that I firmly believe in fair and balanced trade agreements. And I agree with President Clinton that future trade negotiations ought to include in the fabric of the agreement both labor and environmental components. Moreover, as I have publicly said to both business and labor audiences, in the future I will insist on the authority to enforce workers' rights and environmental protections in those agreements.

Sincerely,

AL GORE.

In this letter, the Vice President made his position clear: ''I believe the Congress should enact legislation to secure these goals—in the form in which they have been negotiated—this year.'' A simple, unambiguous, clear, and direct statement.

I don't understand what the ruckus is all about, and why this issue took on such undue proportions at the Senate Finance Committee hearing last Wednesday. The Vice President's remarks were clear. Ambassador Barshefsky's explanation of the Vice President's position was equally clear.

As far as I am concerned, this issue is closed. Those of us leading the effort in the Congress to secure passage of PNTR this year know that the Vice President will be fully engaged on this issue, along with the President, Ambassador Barshefsky, Secretary Daley, and other members of the Cabinet. We all need to devote our attention now to prompt passage of PNTR.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

PRESCRIPTION DRUGS AFFORDABILITY

Mr. JOHNSON. Mr. President, I come to the floor today to join my colleagues who have been talking over this past week or so about one of the most critical issues facing America today relative to health care, and that is the lack of affordability and lack of access to prescription drugs for all of our citizens, but particularly for seniors in America.

As I go home across my State of South Dakota, one of the issues I hear the most about in every community I go to—large and small—is the cost of prescription drugs.

Medicare was created by President Lyndon Johnson as one of the Great Society programs back in the 1960s. At that time, the great unmet health care need for American seniors was the cost of hospitalization. Medicare is not a perfect program, but it has gone a long way toward solving the enormous problem seniors faced at that time—the cost of hospitalization. But no prescription drug benefit was added back then, and medicine has changed radically over the course of the last 35 years. There is a greater reliance on prescription drugs now. Drugs have become increasingly sophisticated. People are living longer. The quality of their lives have been enhanced by the availability—where they can afford it—of prescription drugs. But now the cost of prescription drugs is the highest expenditure and highest financial burden of all on seniors' health care needs next only to the cost of health insurance premiums themselves. Yet while there is a great deal of rhetoric around Washington, there has been too little action up until now on this profound issue.

I wind up talking to a great many seniors in particular on this issue. In my home State of South Dakota where we have a lot of people who are former farmers, ranchers, small business people, and employees of small business who had no deluxe pension plan or health plan to fall back on, for a great many of them Social Security is their lion's share if not their total retirement benefit. Medicare is their key health care benefit.

Thirty-five percent of seniors in America today have no Medigap coverage whatsoever. In South Dakota that rate would be even higher, and people wind up caught in a terrible predicament. It has put a tremendous financial burden on a great many people who very frequently have hundreds of dollars a month in prescription drug costs. But the problem is all the more challenging for the great many South Dakotans I talk to who have no Medigap policy, who cannot afford that, and then who wind up literally choosing between groceries and staying on their prescriptions. What happens then is all too often they either don't fill the prescription or they take half of the pills or they don't take the pill until they become ill again at which time again they show up at the emergency room with an acute illness. Then Medicare picks up the tab. Then the taxpayers pick up that cost at a much higher cost than would have been the instance if they had been able to stay on prescription drugs in the first place.

We wind up with a growing problem, which is the inflationary rate for the cost of prescription drugs. They are going up far higher than the rate of inflation for the rest of the economy. People are on relatively fixed incomes. They are on Social Security and do not have the means oftentimes to pay for any of these bills at all, or pay for enough of them. All too often what little COLA—cost-of-living adjustment—comes along with Social Security is either consumed entirely by the Medicare premium increase or other cost-of-

living increases before they even get to deal with the cost of prescription drugs.

I was in a community in South Dakota not too long ago talking to some seniors at a senior center. This is a phenomenon I had never heard ever before, frankly, where they were telling me—these are some seniors who are a little better off than many of the people I talked to; they have a little more financial means—they were going to Texas and to Arizona to snowbird during the winter, but they are paying for the entire cost of their snowbird expense by going across the line to Mexico and buying their prescription drugs for less than half of what they were paying in the United States. The prescription drugs they are buying in foreign countries for half the price are the same branded FDA-approved drugs that people buy in the U.S.

It is an outrage when you think about American citizens having to go to Canada, having to go to Mexico, and going other places to get their medication cheaper. It seems sometimes that nobody in the industrialized democratic world pays bills anything like our seniors pay or our citizens in general pay for prescription drugs because it isn't only seniors, although clearly seniors who comprise about 12 percent of the United States population consume well over a third of the prescription drugs. That isn't surprising given the fact that as people grow older they run into health care problems that are more intense and that will require the attention of prescription drugs. But there has to be a remedy for this.

I appreciate we are talking now about a Medicare benefit that would include prescription drugs. But, frankly, the bipartisan agreement isn't there yet. I am hopeful it will be during the course of this short legislative year.

There are a lot of people out there who I think are cynical about how much Congress is going to accomplish this year given the fact it is a Presidential year, and all too often time is spent trying to paint differences, drawing lines and drawing the parties apart than coming together in a bipartisan kind of cooperation that I think the American public deserve and what they want to see happen. I think most Americans are not left- or right-wingers, but they want the Government to work fairly efficiently and come together on these key issues.

This is one where I believe we can find some common ground on—not necessarily with huge public expenditures, although if we are going to have a Medicare benefit in the end some additional budgetary implications are certainly involved. And, yes, I think it can be addressed without some massive bureaucracy. We can do that as well, although I worry some when I see these ''Flo ads'' on TV paid by the pharmaceutical industry having to hire an actress to portray a senior by the name of Flo who then goes on about her worries that somehow the Government might do something about prescription drugs and that would be having the Government enter the medicine chest. This is a fear tactic. It is designed to make people worry that if Congress does anything about the cost of prescription drugs somehow that will involve some sort of intrusive federalization of our health care. That is a foolish argument and, unfortunately, one that is backed by millions of dollars of TV ads and one that I think is cynical in terms of trying to dissuade people from believing that there are steps we can take so the United States no longer is the only democracy in the world paying the kind of bills that we pay.

I had a study done by one of our committees in the other body to look at the prescription drug costs in South Dakota, and to also look at costs around the world. This is no surprise. I have long heard talk about going to Winnipeg and going to Mexico to buy drugs for less. I thought perhaps that was anecdotal, and that perhaps it was a systemic situation, but in fact it is reality.

The recent studies indicate that if you go to Canada, or to Mexico, or to France, or to Britain, or to Germany, or to Italy, or to virtually any other industrialized democracy, the cost of prescription drugs is about half what it is in the United States. Nobody pays the kind of bills we pay in the United States. We pay about double what anybody else in the industrialized world pays. That to me is so utterly unacceptable and unfair. This all comes at a time of great national prosperity overall—though you wouldn't always know that in rural America. The great pharmaceutical industry is making profits running about three times higher than any other sector of the American economy. They are enormous profits. Of course, we always hear pleas that if we had to develop drugs at a reasonable price, as everything else in the world, that would negatively impact our ability to do research. It is nonsense. The profits being earned are far higher than a research budget. We want the pharmaceutical industry to make a reasonable profit. We want them to invest money in research. But they make money off research. That is what gives them new things to sell.

I don't think that some reduced cost for American citizens in line with what everyone else in the world is paying is going to have some sort of catastrophic consequence with the pharmaceutical industry at all. All we are looking at is a fair deal, one more consistent with what everybody else gets.

There are a couple of ways to approach this. Keeping in mind that if we do nothing not only is the current severe problem going to grow even worse, it is going to grow worse because the inflationary numbers for prescription drugs are increasingly going up far higher than the rate of inflation.

There are a couple of different responses that I think we could take in this that do not require us to wait around until we reach some sort of grand, bipartisan compromise under the entire revamping of Medicare. Something is going to have to be done long term about Medicare. We all know that. I am not sure if this is the year it is likely to happen as we get into sort of a Presidential-politics-strewn year and it doesn't even happen. We don't have to wait until then to do something.

I sponsored, with my colleague Senator KENNEDY, S. 731, the Prescription Drug Fairness For Seniors Act. There is a corresponding bill in the House of Representatives, H.R. 664, with over 140 cosponsors.

This legislation simply says to the pharmaceutical industry that we will not set prices, we will not have a bureaucracy sitting in the basement of a building in Washington trying to figure out a fair profit. Some suggest that is what we ought to do. We have done that with utilities. Many States have public utility commissions. Recognizing there is no competition in certain sectors of America's economies, they set what a fair profit is and what the prices and profit will be. That is not where I am going with this legislation despite the fact many other countries do.

This legislation is consistent with free market. It is nonbureaucratic. It simply says to the pharmaceutical industry, if this industry is going to sell their products to other favored buyers, then cut Medicare beneficiaries, seniors and the disabled on Medicare, in on the deal, too. Right now a large HMO or Federal agency, is buying prescription drugs at 40 percent to 50 percent less than what everybody else in the U.S. is paying.

This proposal does not provide free drugs for anyone, but it does put American seniors and those disabled individuals on Medicare, who are the ones that purchase the majority of prescription drugs in this country, on the same playing field as citizens of other nations, who pay less. When the pharmaceutical industry sells their products to favored customers such as large HMOs, Federal agencies, or other countries for that matter, they are not selling the drugs at a loss. They are making a very handsome profit. We are suggesting if that is enough profit for the industry from those customers, why not the same for American citizens? Why not give the same price system to American citizens?

Perhaps their negotiated price will go up; it cannot go higher than what it already is for American citizens. We are suggesting, do not discriminate against American citizens, and certainly not against American seniors. This legislation involves no price fixing, it involves no bureaucracy, it involves no tax dollars.

I am pleased in my home State of South Dakota, we now have over 5,000 citizens who have written to me asking to be named as ''Citizen Cosponsors''

my legislation, S. 731, the Prescription Drug Fairness for Seniors Act. I invite other people and my fellow colleagues who believe we need to do something about this issue now, who believe there should be no discrimination against American seniors, to join me as a Citizen Cosponsor. Contact me at my office in Washington. I am happy to sign citizens and my colleagues on. We will indicate to the world this is not an issue that will go away. It is an issue that has enormous grass roots support and one that we can do something now about to help with the skyrocketing cost of prescription drugs.

We have a second bill, as well, that Senator DORGAN, my colleague from North Dakota, has been the principal sponsor of that takes a somewhat similar tact—again, involving no bureaucracy, no tax dollars. I call it ''what is good for the goose is good for the gander'' legislation, but the formal name of the bill is the International Prescription Drug Parity Act, S. 1191.

This legislation says if companies sell these drugs to Canada, Mexico, or elsewhere, allow our pharmacies to reimport these drugs back into the United States. Currently, a citizen can go to these other countries and pick up about a month's supply of drugs for their own personal use, but that is it.

We would monitor the drugs to make sure they are not tampered with; that is not an insurmountable problem.

In effect, every other country in the Western World seems to have found a way to address this issue, except the U.S. The world's greatest democracy, the world's greatest economic and military power, is the only country that seems not to have found something to address these costs. We say let the drugs be imported back into the United States. We will ride piggyback on the progressive policies of other countries where the drugs have been sold for profit, but are branded FDA-approved drugs; bring them back into the United States. Why should South Dakotans have to get on a bus and go to Winnipeg? Why should they have to take a side trip during the wintertime to Mexico? Why should any of this be necessary? This is foolishness. We deserve far better.

There are some who say this is common sense; why is there any controversy? The resistance to some of this legislation has been fierce. The pharmaceutical industry has been running attack ads against my colleagues in the other body who have sponsored this legislation. Television ads, radio ads, and print ads can be intimidating. I am hopeful we can sit down at the table together.

I don't want to demonize or villainize the pharmaceutical industry. We are proud of the research and development that they do. We want them to continue doing that. We want them to continue to make a profit. This is not some sort of confiscatory plan. We want them to sit down in good faith. If not, we will proceed anyway. This issue has become too serious. It has to do with the health care integrity of our Nation.

I believe we can make progress with these two middle-of-the-road kind of bills, while at the same time working with the President who, to his great credit, has been talking about ways we can add Medicare prescription drug coverage to our health care system in this country. If we do that, we will have resolved one of the most severe problems our country faces this year.

We need to go on to broader range Medicare reforms. There are things that will have to happen with Social Security, as well. We all know that and hopefully we can reach some bipartisan resolution of those issues. In the meantime, every single day that goes by, there are South Dakota seniors and disabled individuals with high prescription drug bills, seniors from all over the country, who are skipping meals, who are not taking the drugs they should be taking, who are making terrible choices that the citizens of the world's richest democracy should not be compelled to make. It is just unconscionable that people are given these choices. We should not have to make those decisions. We should not have people showing up with acute illnesses in our emergency room where taxpayers then pick up the tab because they were not able to afford the prescription drugs they need.

There are a great many core issues we need to debate this year, from world trade issues to the scope and the nature of the Federal budget, to education and so on. However, I submit that among the very top tier of issues we need to resolve before this Congress goes home this fall, before it returns to more politics and campaigning, is to take up these two bills and to pass needed legislation to address the issue of prescription drug affordability.

I have no ego involved in the sponsorship here. We need to deal constructively now, this year, with the cost of prescription drugs, certainly for seniors, and hopefully for the entire American public. If we do that, this will have been a year well spent.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KYL). Without objection, it is so ordered.

THE REACH INITIATIVE

Mr. BOND. Mr. President, I rise today to talk about one of the hot topics in the world of health care—health care access. Many people see this as the biggest problem in health care today.

Part of the problem, and the part that has received the most attention, is that too many Americans lack health insurance—about 44 million Americans are not covered by any type of health plan. But an equally serious part of the problem is many people's simple inability to get access to a health care provider. Even if they have insurance, a young couple with a sick child is out of luck if they cannot get in to see a pediatrician or another health care provider. And in too many urban and rural communities across the country, there just are not enough doctors to go around.

Several plans have been proposed recently on how to deal with the health care access problem. Senator Bradley has a plan. The Vice President has one. There's also a bipartisan proposal for tax credits to help people buy health insurance. All of these plans have at least three things in common:

First, they all address a worthwhile goal. I think we all want to see that people have access to good health care, even if we might disagree on how to get there.

Second, they are all very ambitious. Senator Bradley in fact is basically proposing to use close to the entire $1 trillion surplus to provide people with health insurance.

The third thing these plans have in common—and perhaps the most important thing—is that it will be difficult or impossible for them to become law this year. Whether because of policy differences or political differences, it is just not likely that they will pass.

So last week, we launched a bipartisan effort—along with Senators HOLLINGS, COCHRAN, LINCOLN, HATCH, HUTCHINSON of Arkansas, I and other Senators—called the REACH Initiative, that does have a chance this year. There is no need to wait for an election, we can do it now.

Our proposal builds on the crucial work that organizations known as community health centers have been doing to ensure better access to health care. Health centers are private nonprofit clinics that provide primary care and preventive health care services in medically-underserved urban and rural communities across the country. Partially with the help of Federal grants, health centers provide basic care for about 11 million people every year, 4 million of whom are uninsured.

The goal of the REACH Initiative is simple—to make sure more people have access to health care. We plan to achieve this by doubling Federal funding for community health centers over a period of 5 years. We believe this will allow up to 10 million more women, children, and others in need to receive care at health centers. If we are successful with the REACH Initiative, we can practically double the number of uninsured and underinsured people cared for at health centers.

I am pleased that 12 colleagues—led by my good friend from South Carolina, Senator HOLLINGS—have joined me to introduce this resolution calling for doubled health center funding over 5 years.