the Texas Medical Center suffered interruptions in power that make treating existing patients along with flood-related casualties extremely difficult. Several were forced to close because of the flooding problems in the Texas Medical Center.

There are backups working now. But over the weekend, when you can imagine with the devastation that we had, the communications across the city were disrupted as well, with Houston's emergency communications network knocked out; and fire and rescue workers were forced to often rely on handheld radios.

Over 100,000 residents were without phone service and the 911 system was overwhelmed, and only quick action by our Harris County employees prevented loss of more long-distance and cellular communications.

Even today, 15,000 Houston and Harris County residents, including our district office, are without phone service, as the central office in Houston was under 5 feet of water for most of the weekend.

Even though classes are out for the summer and schools have not yet begun for the summer school, our public schools have not been spared. Over 300 Houston Independent School Districts have suffered flood damage.

Other districts were not spared. North Forest ISD is now using two of their schools that were not hit for shelters, manned by the Red Cross and school employees, suffered a great deal of damage, including office equipment and computers.

Sheldon Independent School District suffered serious flooding in their whole district, and only two schools were not flooded. Right now, the waters have receded; and the Federal Emergency Management Agency is on the ground, helping those who have lost their homes and their property and their businesses to rebuild.

Disaster recovery centers, where residents can go and begin accessing Federal aid, are being established in time through this week and will be up and running, and people have begun the long process of putting their lives back together.

While we cannot prevent a catastrophe of this magnitude, there are actions we can take both locally and in Washington to lessen the impact of future flooding.

At the local level, I encourage every resident possible to purchase flood insurance. It is affordable. The average cost about $350 a year.

And for more information, they can call 1–888–CALL–FLOOD or go online which is http://www.fema.gov/nfip.

On the Federal level, we can do more. For the last several years, funding for our Harris County Flood Control has been steady, but we know we need to do better.

I have walked the streets yesterday and today visiting with our FEMA representatives in areas in Aldine, Mesa Road and Sheldon, to CE King areas and seeing the devastation, Mr. Speaker, and I encourage my constituents and all people to call the 1–800 number for FEMA, 1–800–462–9029 to make sure they get their information there so FEMA can do the job that we expect them to do.

Mr. Speaker, I yield to the gentleman from Louisiana (Mr. TAUZIN).

Mr. TAUZIN. Mr. Speaker, I just wanted to take a minute to thank the gentleman from Texas (Mr. GREEN) for the special order, because as the gentleman knows residents of Louisiana suffered along with residents of Texas. All over my district, we had similar flooding.

This morning, the President declared a disaster area in the parishes that I represent in South Louisiana. In my hometown, we had a rain gauge that measured 38 inches of rainfall at one location, in my hometown, an amazing amount of rain. No one could have prepared for it.

I want to thank the gentleman for reading those numbers. I hope people have listened carefully. FEMA is on the job, and we hope relief is coming soon.

Mr. GREEN of Texas. Mr. Speaker, whatever time I have left, I know that Storm Allison moved from Texas to Louisiana, and we are seeing that devastation along the Gulf Coast, and I know we will be here to provide that funding.

DISCUSSING SPEECH OF COMPTROLLER GENERAL OF THE UNITED STATES, DAVID WALKER

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

Mr. HORN. Mr. Speaker, I am going to discuss and I am putting in the RECORD this evening a very fine address of the Comptroller General of the United States, David Walker. He has a 15-year term, as you know. He is part of the legislative branch, and he has had a great career before joining us. He is a certified public accountant.

He was a Assistant Secretary of Labor under President Reagan for Pension and Welfare Benefit Programs, and I just want to talk about some excerpts from his address recently.

Speaking for his agency, the United States General Accounting Office, he noted, ''We do not keep the books and records of the Federal Government. That is the primary responsibility of the chief financial officers of the various departments and agencies in the government. And the Congress is our primary client.

American people are our beneficial clients. Our mission is to help maximize the performance and assure the accountability of the Federal Government for the benefit of the American people.''

''We are in the accountability business. Many people like accountability until they are the ones being held accountable.''

He continued on that, ''While we should have zero tolerance for fraud, waste, abuse and mismanagement, it will never be zero.''

''We perform audits, investigations evaluations, policy analyses, and provide legal services to the Congress.''

He notes that over 90 percent of his work in the GAO with his excellent colleagues is done at either the mandate of Congress or a request of Congress.

''As a result, we are very client focused. We are also very results oriented, and we strive to lead by example.

''Being the leading accountability organization in the United States, and arguably one of the leading in the world, we believe that we have a responsibility to be as good or better than anybody else that we evaluate, or else we would be a hypocrite, and none of us wants to be called a hypocrite.''

Mr. Speaker, I will now mention some of the points he made in both dealing with management and dealing with our major thrust, which must be the infrastructure, the human infrastructure of the executive branch. We are losing first-rate people, thousands a year.

And he goes on to note, this is a major thing for Congress and the General Accounting Office to do these and concern these and get an incentive system where the senior civil servants can help manage the world's largest complex information, which is the executive branch of the United States.

He believes that where certain key trends and are undeniable and which have significant implications for the United States as well as many other industrialized nations around the world; these include the following: First, globalization. Globalization of markets, information and enterprises. There are no islands in a wired interconnected and, yes, interdependent world.

Changing dynamics, aging societies, longer life spans, decreasing worker-to-retiree ratios.

Third, changing security threats. The Cold War is over, and we won.

The next is rapidly evolving technology. These new technologies provide opportunities to increase productivity and decrease costs.

Quality-of-life considerations are also of increasing importance. From education to the environment to work-family issues to urban sprawl, quality of life is becoming increasingly important for many people.

Rising healthcare costs, we all know that is a major problem.

Last but not least, evolution, devolving more activities closer to the people and from the government to the private and not-for-profit sectors leads to shared responsibility and more difficulties associated with accountability.

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Although there are differences sometimes between the Congressional Budget Office, the Comptroller General notes that the first one he is going to touch on is the long-range budget challenges.

While the CBO, the Congressional Budget Office, most recent 10-year projections showed higher projected services over the next 10 years, the fact is that the long-term situation has gotten worse. It is worse primarily due to known demographic trends and rising health care costs.

Our budget picture has changed dramatically since 1962, he notes. In that year, over two-thirds of the Federal budget was represented by discretionary spending.

Mr. Speaker, I include the following for the RECORD:

NATIONAL PRESS CLUB LUNCHEON REMARKS BY DAVID WALKER, COMPTROLLER GENERAL OF THE UNITED STATES

Mr. WALKER. Thank you very much. It's a pleasure to be here to address all of you at the Club, as well as those of you viewing the C-SPAN and those listening via National Public Radio.

I would like to acknowledge at the outset that I am pleased that so many of you are here. I wish to also acknowledge Congressman Steve Horn, who is able to join us from California, and Sarah McClendan, the grand dame of the Washington press corp, who is able to join us as well.

I've been asked to address you today on a number of the challenges facing the United States and many other industrialized nations in the 21st century. My remarks today will be based primarily upon GAO's work, and our work can be found on our Web site, *www.gao.gov*.

Before I begin, I think it's important to add a few words as to what we do and what we don't do at GAO, because quite frankly our name is somewhat confusing. Despite our full name, which is the U.S. General Accounting Office, we do not keep the books and records of the federal government. That is the primary responsibility of the chief financial officers of the various departments and agencies in government. We do, however, have the responsibility for auditing the financial statements of the consolidated U.S. government; and inspectors general or private sector firms will audit the various departments and agencies.

We are in the legislative branch of government. The Congress is our primary client; the American people are our beneficial clients. Our mission is to help maximize the performance and assure the accountability of the federal government for the benefit of the American people. I can assure you that's a full-time job. I can also assure you it is a job that will be never-ending; and therefore neither I nor any of my colleagues at GAO will ever have to worry about whether or not there will be a need for our services.

We are in the accountability business. Many people like accountability until they're the ones being held accountable. I find that this view exists not only in Washington, D.C., but also around the world. But that's our business. Yes, we do have the responsibility to fight fraud, waste, abuse and mismanagement wherever it may exist in government. However, the inspectors general in each of the major departments and agencies are on the front line of fighting fraud, waste, and abuse within their respective departments and agencies. Our job tends to focus more on strategic issues, longer-range issues, and cross-governmental issues because we are better positioned to be able to address these than they are.

The U.S. government is the largest, the most complex, the most diverse, and arguably the most important entity on the face of the earth. The U.S. is the only superpower on earth. While we should have zero tolerance for fraud, waste, abuse and mismanagement, it will never be zero. Fortunately, we have very little as compared to most other countries around the world, and we should be proud of that. While we will continue to fight these matters, we should also look for ways that we can improve the economy, the efficiency and the effectiveness of government. In fact, the return on investment by focusing on these areas can be multiple times greater than the traditional focus.

We perform audits, investigations, evaluations, policy analyses, and provide legal services to the Congress. We cover everything the government does, anywhere in the world. It's a big job, and it's a full-time job, and over 90 percent of our work is done at either the mandate of Congress or request of Congress. As a result, we are very client focused. We are also very results oriented, and we strive to lead by example. Being the leading accountability organization in the U.S., and arguably one of leading in the world, we believe that we have a responsibility to be as good or better than anybody else that we evaluate, or else we would be a hypocrite, and none of us wants to be called a hypocrite.

With regards to results orientation, let me give you some examples. Just last year, in fiscal 2000, we had 23 billion—that's ''b''—billion dollars in financial benefits for the roughly $378 million that the Congress and the American taxpayers invested in us. That's a return on investment of 61 dollars for every dollar invested—probably number one in the world. But, in addition to returning dollars, we helped to achieve a number of important nonfinancial accomplishments like: strengthening weapons system acquisition practices; improving the quality of nursing home care; modernizing federal human capital practices; and enhancing computer security within the federal government.

In doing our work, we must be dedicated to professional standards and core values and rise above partisan politics or ideological battles.

Finally, as was mentioned with the 15-year term, the comptroller general of the United States is uniquely positioned to not just focus on today but to think about tomorrow and to take on the tough issues that need to be done. There just aren't enough people willing to do it in today's environment.

And what is today's environment? Quite frankly it's a new ballgame at the dawn of the 21st century. We have several important transitions underway. From a political perspective, we have a new Congress. The Republicans are in the majority, but there are narrower margins, and shared power in the Senate. In addition, there are many new committee chairs and ranking members. From the standpoint of the executive branch, we have a new administration. The Bush administration has come to town. However, only a fraction of their key players are in place at this point in time.

From a fiscal perspective, we are transitioning from a period of actual past deficits year after year into a period of continued and projected surpluses for a number of years into the future.

From an economic perspective, we are transitioning from the industrial age to the knowledge age. In the knowledge age, people will be the key factor in attaining and maintaining the competitive advantage, whether they are in the private sector, the public sector, or not-for-profit sector. People will be the key.

From a timing and psychological perspective, we have entered a new millennium. The beginning of the 21st century creates a natural tendency to reflect on the past and to contemplate the future. There are certain key trends that are undeniable and which have significant implications for the United States as well as many other industrialized nations around the world. These include the following.

First, globalization—globalization of markets, of information, and enterprises. There are no islands in a wired, interconnected and, yes, interdependent world.

Changing demographics, aging societies, longer life spans, decreasing worker-to-retiree ratios, slower work force growth, greater diversity and growing skills gaps.

Third, changing security threats. The Cold War is over and we won. We now face more diverse and more diffuse security threats that range from weapons of mass destruction of various types to illegal drugs, to infectious diseases, to cyberterrorism attacks. These threats are from rogue nations and groups, and in a more open border environment.

The next is rapidly evolving technologies. These new technologies provide opportunities to increase productivity and decrease costs; but they also pose an increased threat to national security and personal privacy. They can also lessen the emphasis on the critical human element.

Quality-of-life considerations are also of increasing importance. From education to the environment to work family issues to urban sprawl, quality of life is becoming an increasing interest for many people.

Rising health care costs. The resurgence of health care costs due to a variety of factors will put increasing pressures on government, employers and individuals in the years ahead. We have a huge imbalance between what people want, which is unlimited; what they need, which should be defined and hopefully be met; and what we can collectively afford in the health care area. Stated differently, there is a huge imbalance between what has been promised and what resources are likely to be available in this area, especially in connection with Medicare.

Last but not least, devolution—devolving more activities closer to the people, and from the government to the private and not-for-profit sectors leads to shared responsibility and more difficulties associated with accountability.

These trends have significant implications for what government does and how government should do business in the 21st century. They impact a number of emerging challenges, and they also have direct effects on a number of long-standing issues. In that regard, let me touch on a few as illustrative examples just to bring this point to life.

With regard to emerging issues, the first one I'll touch on is long-range budget challenges. While although Congressional Budget Office most recent 10-year projections showed higher projected surpluses over the next 10 years, the fact is the long-term situation has gotten worse; and it's gotten worse primarily due to known demographic trends and rising health care costs. While budget projections are necessary, they are inherently uncertain, especially the farther out that you go. At the same point in time, demographic projections are much more certain. Why do I say that? Because the vast majority of the people that they relate to are alive and with us today.

Our budget picture has changed dramatically since 1962, over two thirds of the federal budget was represented by discretionary spending. Now it's down to about a third. So it's flipped since 1962. In fiscal 2000, about a third was discretionary, and about 16 percent of the budget was dedicated to defense. In 1962, 50 percent of the federal budget was dedicated to defense. The reductions in defense spending over the last 38 years went to health care. Social Security, and interest on the federal debt. This was not a conscious trade-off; it's just a fact—it's what happened.

The fact of the matter is that Social Security costs, Medicare, and other health care costs are only going to go in one direction under our current system, and that is up. As a result, the pressures on discretionary spending are likely to become more acute in the years ahead. We don't know what interest on the federal debt will be in the future. While we know it's coming down, due to recent efforts to pay down the debt, it's debatable as to how much debt will be paid down in the years ahead. Even if public debt was all paid off, the fact of the matter is our long-range budget simulations show that we are going to have significant fiscal challenges in the years ahead. For example, if Congress saves every penny of the Social Security surplus, but if the on-budget surplus is spent either through tax cuts and/or spending increases, then by the year 2030, discretionary spending will have to be cut in half, and it will have to be eliminated by 2040. There are alternatives: significantly increasing tax burdens over current levels in the longer term; or further mortgaging the future in the outyears. But these aren't very attractive options.

Guess what's in discretionary spending? National defense, the judicial system, education programs, some of which are specifically provided for in the Constitution of the United States. Given these long-range fiscal challenges we must be prudent today about what is done with the current surplus, and we must get on with entitlement reform, if we want to avoid a train wreck down the road.

The human capital crisis. The key competitive element in the 21st century will be people. People are the source of all knowledge. In this knowledge age, having the right people with the right skills will make the difference between success and failure. Yes, business processes and information technology are important; but people are essential. Unfortunately, government and all too many private sector employers have treated people as a cost to be cut rather than an asset to be valued. This must change. Due to largely driven numbers and inadequately planned downsizing campaigns that have occurred in the last 10 to 15 years, the federal work force is much smaller. However, it's also out of shape, has a range of skills imbalances, and is facing a huge succession planning challenge. As a result, we at the Government Accounting Office GAO placed strategic human capital management, or I should say the lack thereof, on our high risk list within the last two months.

The problem is not federal employees. It is the outdated policies, practices and legislative framework that governs human capital practices in the federal government. We must take a range of steps within the context of current law to address these challenges and to attract and to retain a quality work force for the federal government. We must also move over time to build a consensus for comprehensive civil service reform, whose time will come, but it has not yet arrived.

We can't afford to have anything other than top-quality people running the U.S. government. I already mentioned it's the largest, most complex, most diverse entity on the face of the earth. We can't afford to have second-class players running that type of enterprise, the only superpower on earth. The stakes are simply too high to do otherwise.

Finally, given the key transitions and trends that the Comptroller General discussed, I think it's also important to note that both federal and private sector employment policies and practices will have to change in order to make better use among other things, and that is our senior citizens—probably the largest untapped resource that we have.

Third, emerging challenges. The Postal Service. The U.S. Postal Service is the second largest employer in the United States as a separate free-standing entity, second only to General Motors, with $65 billion a year in annual revenues. It serves an important public purpose, but it is facing increasing competition and other pressures, both from a domestic and foreign perspective. The U.S. Postal Service lost $200 million last year and recently projected it will lose two to three billion this year, despite a recent rate increase. They've also projected that it's likely to get worse unless they get additional rate increases.

The basic statutory framework which governs the Postal Service has not been changed since 1970, despite the fact that the world has changed significantly since then, and will change even more in the years ahead. These and other factors have caused the Postal Service's transformation efforts to be put on our high risk list just within the last two weeks. The time has come to take a comprehensive look at the governance structure, management practices, labor policies and statutory framework relating to the Postal Service. Simply raising postal rates is not the answer. We must deal with a range of structural and fundamental challenges that have built up over the years. This will be tough, but it is essential.

The Postal Service challenge is too big to ignore. It also illustrates the need to relook at a range of federal policies, programs and practices in light of the key trends that I discussed earlier.

Now let me transition to how these trends affect several continuing challenges. First, federal financial management. The federal government has been a lag indicator when it comes to federal financial management and accountability factors. It's only been in the last 10 years that the federal government has even had to come up with consolidated financial statements. It's only been four years that the federal government has had to have audited consolidated financial statements. While progress is being made, much remains to be done. The simple fact of the matter is that no private sector enterprise could survive with the type of financial management system the federal government has. While 18 of 24 major departments and agencies received so-called clean opinions on their financial statements this past year, only six received a clean opinion, had no material control weaknesses, and didn't have compliance problems. So six of 24 rather than 18 of 24. In fact, of the 18 of 24 that did get a so-called clean opinion, a majority of those only got the clean opinion through engaging in so-called heroic efforts where they dedicated vast amounts of financial and human resources to basically recreate the books as of one day six months prior; that is, as of the end of the fiscal year. This is no way to run an enterprise, whether it be in the public sector or the private sector. It must change.

Government leaders have a responsibility, and the taxpayers have a right to assure, that the federal government has appropriate systems and controls in place to safeguard taxpayer dollars and to assure government accountability. Other countries much smaller than the United States have done this already. It's time that we do. In addition, federal reporting standards must place additional emphasis on performance information, long-range commitments and contingencies, and the government's most valuable asset, namely its employees.

Federal acquisition and sourcing strategies. While the federal work force is smaller, the so-called shadow work force has grown dramatically in the last 10 years. The shadow work force is primarily comprised of contract personnel performing services for the federal government. In addition, more and more functions are being devolved to lower levels of government and to non-governmental sources. This raises a number of policy, equity and accountability issues. We need to fundamentally review and reassess a range of federal policies, procedures and practices in this area. In doing so we must balance a number of competing interests among a variety of stakeholders, such as taxpayers, the government, federal workers, and contractors. I am hopeful that the recently announced Commercial Activities Panel, that I will chair, will be able to make some meaningful progress in this area. Some of the panel members may be able to help lay the groundwork for more comprehensive action in the human capital area in the years ahead.

Last but not least on the example of continuing challenges: Defense Department business process transformation. We have the best military forces on earth. We have proved that we are number one on the battlefield several times over the past ten years. Yes, the Department of Defense and the military forces that it represents rate an A on effectiveness in fighting and winning armed conflicts. However, the Department of Defense is a D-plus at best on economy, efficiency and accountability. Defense has six of 21 high-risk areas on our list, and they also have the two government-wide high-risk challenges as well. DOD's poor financial management reporting practices represent the primary road block in the federal government obtaining a clean opinion on its financial statements. DOD's economy, efficiency and related accountability problems result in billions of wasted dollars, dollars that can be better spent on readiness, a better quality of life for our uniformed personnel and closing the gap between wants and available funding in connection with a variety of major weapons systems. DOD must change the way that it does business, and this will be tough given the culture at DOD and the many organizations within it. But basically what we are talking about is that government has to change how it does business if it is to be effective and maximize the return on taxpayer dollars, while achieving its missions.

In closing, the 21st century is a new ballgame. Much has changed in the last 20 years, and the world is likely to change even more in the next 20. Now is the time for us to ask two key questions as we look forward, especially in light of our long-range fiscal challenges. First, what is the proper role of government in the 21st century? Secondly, how should the government do business in the 21st century? The first question raises a range of public policy issues that must be answered by elected officials. It involves relooking at a range of government programs, policies and tools in light of past and expected changes and future challenges. In addressing this question, GAO will be there to help by getting facts, analyzing the situation, laying out options, and discussing the pros and cons so that elected officials and other policymakers can make timely and informed judgments.

The second question—How should government do business?—is much more operationally oriented. GAO will continue to aggressively pursue this area not only to identify problems, but also to recognize progress. We will continue to provide tools and methodologies to help others help themselves see their way forward, maximize their performance, and ensure their accountability in a range of areas. In doing so, we'll continue to be committed to our professional standards and our core values of accountability, integrity and reliability.

The press can play an important role as well, helping to engender the public debate, to identify not only the problems, but also be able to acknowledge progress while recognizing that government does do some things right.

Let's work together to make government work better for all Americans.

I appreciate your time and attention, and would be more than happy to answer any questions you may have. Thank you.

NATIONAL MEN'S HEALTH WEEK

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

Mr. DAVIS of Illinois. Mr. Speaker, I take this opportunity to acknowledge the kickoff of National Men's Health Week as we lead up to the celebration of Father's Day on June 17, 2001.

The importance of this special week is to raise national awareness among men relative to issues affecting our well-being. As men, Mr. Speaker, we play many roles in society, such as husbands, fathers, brothers, bread winners, Congressmen, Presidents, and more importantly co-partners in families and in some instances heads of families. None of the roles mentioned above are mutually exclusive. Rather, they are all part of an integrated whole.

Some of us are very comfortable in each role. Others may find it difficult handling the presence and pressures associated with so many roles. Therefore, as we deal with National Men's Health Week, which is designed to promote health among men and to address a broad range of issues regardless of roles or status, let us be mindful that this is not an egotistical approach to elicit gender competition, but it is simply a reminder that we should all pay attention to problems that are gender specific.

If we are not healthy, we cannot be the best husbands, fathers, or productive citizens that are vital to help keep our society going. Today, men suffer from some alarming health statistics. It is common knowledge that heart disease is the leading cause of death among men in the United States.

The life expectancy of men is much lower than that of women by at least 7 years. Currently men represent 84 percent of all AIDS cases in the United States. In the African-American community, HIV/AIDS is spreading like wildfire. A recent survey revealed an increased infection rate of 4.4 percent for young gay men. The rates ranged from 2.5 percent all the way up to 14.7 percent among gay black men. In Chicago alone, gay men account for 53 percent of HIV/AIDS cases. Public health officials say that they are seeing disturbing trends of reckless behavior.

Another sad statistic is the mortality rate for African Americans from all types of cancer. It is 68 percent higher than for any other group. There are many other types of ailments that afflict us, such as high blood pressure, stroke, diabetes, excessive accidents on the road.

Well, as one can see very well, the problems are there. The odds seem to be against men. But I assure my colleagues that an ounce of prevention is worth much more than 1,000 remedies.

So I would urge all men not to wait until it is too late to bring into our lives the proper balance of health care. We can all have a better life. If that is not possible, we can all certainly make life more bearable.

I urge all men to take time to reflect on the value of your life, on the well-being of yourself, and the ripple effect that it can have on all of the roles that you play and the lives of all the people with whom you come into contact. Should your health, your state of mind, your stress level or anything else be of concern that requires attention, please consult your physician, seek assistance at your earliest convenience.

Let us celebrate Father's Day in good health as we celebrate this week dedicated to improving the health, not only of all of our citizens, but especially the health of men who oftentimes do not look or pay as much attention to themselves.

I also take this opportunity, Mr. Speaker, to indicate support for the efforts and activities of individuals, organizations, institutions and other entities that are designed to honor fatherhood on Father's Day, especially when we look at statistics which suggest that children who are raised without their fathers account for 63 percent of youth suicides, 71 percent of pregnant teenagers, 90 percent of homeless and runaway children, 85 percent of behavior disorders.

As my colleagues can see, Mr. Speaker, all of these problems are seriously affecting not only the lives of individuals, but the lives of people in our country.

HEALTH CARE AND PRESCRIPTION DRUGS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentlewoman from Ohio (Mrs. JONES) is recognized for 60 minutes as the designee of the minority leader.

Mrs. JONES of Ohio. Mr. Speaker, on behalf of my colleagues, we wish to discuss the whole issue of health care this evening. Particularly we are going to be discussing the issue of prescription drugs.

We anticipate that, over the next few years, prescription drug use will increase with age along with the prevalence of chronic and acute health problems. Over 13 million Medicare beneficiaries have no drug coverage whatsoever, and over three in five beneficiaries have undependable drug coverage.

The Federal Health Insurance Program that covers 40 million elderly and disabled Americans does not cover outpatient prescription drugs. Ten million Medicare beneficiaries have no drug coverage at all.

According to HCFA, the national spending on drugs has tripled in the last decade, and it is expected to more than double between 2000 and 2010 from an estimated $172 billion to $366 billion.

Medicare beneficiaries account for 14 percent of the United States population, but 43 percent of the Nation's total drug expenditures. Medicaid provides drug coverage for 12 percent of the Medicaid population, generally those with very low income. Only half of all the Medicare beneficiaries with incomes below the Federal poverty line are covered by Medicaid.

In 1998, Medicaid spent on average $893 per elderly beneficiary for pharmaceuticals. Medicare HMOs assisted 15 percent of all beneficiaries with their drug costs in 1998, although the share dropped to about 10 percent in 2001. Virtually all Medicare beneficiaries use pharmaceuticals on a regular basis and fill an average of 22 prescriptions per year.

In 2001, the average annual out-of-pocket spending for drugs among Medicare beneficiaries is estimated to be about $858, with 27 percent of beneficiaries expected to spend more than $1,000. Medigap provides prescription drug benefits to approximately only 10 percent of all the Medicare beneficiaries.

I listed all of these prescription drugs statistics particularly to focus in on the fact that, across this country, there are senior citizens and others who are in a dilemma without having any type of prescription drug benefit.

Mr. Speaker, I would like to kind of engage in a colloquy with the gentlewoman from Florida (Mrs. THURMAN), who has been very active in the forefront on the issue of prescription drug benefits.

Mr. Speaker, I yield to the gentlewoman from Florida (Mrs. THURMAN) to discuss what she has been seeing that has occurred in the State of Florida on this issue.

Mrs. THURMAN. Mr. Speaker, if one can imagine, in Florida a high percentage of our seniors are in the Medicare program because we have a very high senior population. You know what I have found is interesting over the last couple of years, we have had this issue on the table. This issue is being talked about. It has been massaged. It has been looked at. We have tried to bring it to the forefront of any debate that has happened in this Congress because of exactly what the gentlewoman has put in her remarks, what is happening out there.

I think that any of us that has had any kind of work done, that one of the first issues that we have to look at is how do we make sure that the people in this country are getting the same medicines at the same cost as other countries. I do not want to hear, well, it is about research, because we hear it is about marketing research, and we have all seen the ads.

So we did, a couple of years ago, just a kind of analysis of what was happening in our State and in my district in particular, in the Fifth District, and