

issues on the table. The issues I have named, these three issues, where to locate, to make sure that the District is included in the bill, and to make sure that people are not stripped of their Civil Service protection, these should be easy issues if we mean to get this bill out by September 11, or certainly by the time we leave to go home at the end of this session.

#### THE HIGH PRICE OF PRESCRIPTION DRUGS IN AMERICA

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

Mr. GUTKNECHT. Mr. Speaker, I rise today to talk about an issue that more and more Americans are aware of, and that is, first of all, the high price that Americans pay for prescription drugs, but, more important even than that, the difference between what Americans pay and what the rest of the world pays for the same drugs.

I have with me a chart that I have updated several times over the last several years, and it is one of those areas where the more you learn about this, the angrier you become at the system.

Let me point out some of the prices, because I know these are hard to read here in the Chamber and on C-SPAN. But let me point out a few of these.

Here we have Augmentin, a very commonly prescribed drug. The average price in the United States for a 30-day supply, \$55.50. That same drug in Europe on average sells for \$8.75.

Let us take a drug like Claritin. Claritin is a drug going off of patent. It still sells in the United States when we made up this chart for about \$89. In Europe, the same drug sells for \$18.75

□ 1600

Another drug that many Americans are very familiar with is the drug Premarin. Many women take the drug Premarin, especially as they reach menopause. Mr. Speaker, \$55.42 is the American price; \$8.95 if you buy that drug in Europe. It goes on and on. Zolof, a very commonly prescribed drug; in the United States a 30-day supply is \$114; in Europe it is \$52.50.

Let me point out another very important drug that has done a lot of good in this country and around the world for people who suffer from diabetes, and something like 27 percent of all Medicare expenditures are diabetes related. Glucophage in the United States costs \$124.65, and in Europe that drug is only \$22.

Now, what we are talking about here are the same drugs made in the same FDA-approved facilities that are sold in both places. It would be easy for us to come to the floor of the House and say, shame on the pharmaceutical industry. Well, I am not here to say shame on the pharmaceutical industry. They are only doing what any capitalist company would do, and that is that they are maximizing their market opportunities.

Now, it is not shame on the pharmaceutical industry. It is shame on the FDA, and it is shame on us here in Congress for allowing this to happen.

I want to point out something else, and then I will yield to the gentleman from Georgia. Why this gets very important is because last year, according to the National Institutes of Health Health Care Management, prescription drugs went up 19 percent here in the United States. The average Social Security cost of living adjustment was only 3.5 percent. One more chart I will show, because this is the most difficult one of all.

Earlier, one of our colleagues, the gentleman from California (Mr. FILLNER), was talking about affordability; and affordability is the real issue. It is not about coverage; it is about affordability. He said that there was not enough coverage in the Republican plan that the members of the House Committee on Ways and means and the Committee on Commerce are putting together.

Well, here is the number that the Congressional Budget Office tells us. Over the next 10 years, this is how much they estimate seniors will spend on prescription drugs. This is a 1 and then an 8, and then 000,000,000,000; that is \$1.8 trillion. We cannot afford prescription drugs because the prices are too high. If we could do what some of us want to do, and that is at least open up the American markets to imports, we could save at least 35 percent. Mr. Speaker, I say to my colleagues, 35 percent of \$1.8 trillion is \$630 billion just for seniors, just over the next 10 years.

Mr. Speaker, I yield to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I appreciate the gentleman yielding to me. I want to say the great advantage of reimportation is not only does it save money now, it does it without a new government program, and it is a market-driven change.

The gentleman often quotes Ronald Reagan, who said that markets are powerful things, more powerful than armies. Here we already have groups like Canada Meds. I am not familiar with it, but I understand it is on the Internet. Canada Meds can save American seniors right now on their prescriptions, of all of the drugs that the gentleman mentioned, 30, 40, 50 percent routinely. It is not just for people who are 65 years old. If you are a mother with three kids and they have earaches, as small children frequently do, you can save that money today. This is going to happen with or without the United States Congress.

Mr. Speaker, I agree with the gentleman. Shame on the FDA, and shame on the United States Congress for not passing a law to let the neighborhood pharmacist take advantage of these low Canadian prices.

#### BRINGING DOWN THE COST OF PRESCRIPTION DRUGS

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

Mr. KINGSTON. Mr. Speaker, I will start off by yielding to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Speaker, I want to come back to something that the gentleman from Georgia just said, and I think it is an important comment. What we are talking about now is the prescription drug benefit under Medicare that will benefit seniors, and it will benefit seniors. We are going to put \$350 billion into a program and that clearly will benefit seniors. But it will do nothing for those families right now who are struggling to pay for expensive drugs because they have a sick child. That is where, if we allowed reimportation, we could dramatically bring down the price of drugs, not just for seniors, but for everybody.

Mr. KINGSTON. Mr. Speaker, here is a letter from a woman in Colorado who says that she actually is now getting her Tamoxifen from Canada. It took a little longer to get the prescription filled, but it is \$160 savings every 2 months, \$80 a month savings. That is a lot of money for somebody on a fixed income.

Mr. GUTKNECHT. Mr. Speaker, that is almost \$1,000 a year.

Mr. KINGSTON. Absolutely. There are some other things that we have talked about that we think Congress should do to continue to decrease the price of drugs. We mentioned reimportation; we mentioned the prescription drug benefit on Medicare. But there are also issues such as malpractice reform, patent reform, decreasing the time for drug approval that it takes the FDA to sign off on a new drug, and also to look into the overprescription. The gentleman may know that the University of Minnesota has actually done studies on this where they have found as high as 40 percent of the drugs taken by seniors no longer need to be taken, or the prescription is actually wrong, and that is costing millions and millions of dollars each year.

Mr. GUTKNECHT. Mr. Speaker, if the gentleman will yield, I think we have to attack this problem on many fronts. The more we learn about it, the more we realize there are an awful lot of problems.

One of them is all of the money that the pharmaceutical companies are spending on marketing. I happen to believe in free speech, so they ought to be able to advertise; but we ought to at least know how much of that drug dollar is going to advertising. They ought to have to disclose that to people like us so that seniors know how much they are spending on marketing.

Mr. KINGSTON. Mr. Speaker, there are some companies who are actually leading the way. Eli Lilly, to their

credit, has stopped this practice of going to a doctor's office and buying the whole staff lunch for the day, and then leaving them with trays and trays of free prescriptions for samples. I think Eli Lilly should be commended for leading the way into a different way of marketing, and I think other drug companies should take a look at that.

I want to talk just real briefly on patents. Prozac went off patent last August, and the price of Prozac fell 70 percent. The question is, when we pay for so much of the research and development on a new drug as American taxpayers, should drug companies still be given a 17-year patent? I think that should be something that we should discuss. Maybe it should be longer. Maybe it should only be 5 years, though.

Mr. GUTKNECHT. Mr. Speaker, I think if we are paying for most of the research, and something else most Americans do not know, and that is 44 percent of all of the money spent on basic research in the world is spent by Americans and American companies.

Mr. KINGSTON. Mr. Speaker, it is something we should look at.

Finally, this approval process, sometimes it takes as long as 8 years to get FDA to approve a new drug. We should reduce that, particularly for drugs that are often being used in European countries that are already on the market, there is a track record for them, and the FDA is still holding them up. We have to ask ourselves how many people are dying or suffering or are in pain during this approval process that had they been living in another country, then they could get access to their medicine.

Mr. GUTKNECHT. Mr. Speaker, coming back to the cost of research, I think we in the United States ought to be willing to pay our fair share for research. When we look at these charts, clearly we should not be required to subsidize the starving Swiss.

Mr. KINGSTON. Again, Mr. Speaker, these drugs are things that seniors are paying too much for right now. We have a woman in our office who has a relative in El Paso. To get a prescription filled in El Paso it is \$90. To go over the border to Juarez is \$29 for Lipitor. It is such a tremendous savings. But we see some of these drug companies, their ads are slick, they are expensive, they are enticing. I have no problem with them spending that money that way; but I do have a problem with saying we can import our tomatoes, we can import all of our other groceries from Mexico or Canada or any other country; but when it comes to drugs, even FDA-approved drugs, we have special roadblocks for that, and it hurts American consumers. We have the North American Free Trade Agreement; and by golly, we ought to be able to leave Detroit and go over to Windsor, Ontario, and buy drugs.

Mr. GUTKNECHT. Mr. Speaker, in the era of the Internet, NAFTA and

world trade, the FDA should not be allowed to stand between American consumers and lower drug prices.

Mr. KINGSTON. Mr. Speaker, I appreciate the gentleman's hard work on this, and I look forward to working with him on this legislation.

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

(Mr. PAYNE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Ms. MCKINNEY) is recognized for 5 minutes.

(Ms. MCKINNEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

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

(Ms. WATSON of California addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

#### BLUE DOGS HAVE THE RIGHT PLAN FOR FISCAL RESPONSIBILITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Texas (Mr. TURNER) is recognized for 60 minutes as the designee of the minority leader.

Mr. TURNER. Mr. Speaker, I want to compliment my colleagues, the gentleman from Minnesota (Mr. GUTKNECHT) and the gentleman from Georgia (Mr. KINGSTON), for their presentation a few moments ago regarding the high cost of prescription drugs and their support for legislation that would allow the reimportation of drugs to allow our seniors to get the prices that are now offered in Mexico, Canada, and the citizens of every other country in the world, except the United States.

I want to make it very clear that all of us on the Democratic side of the aisle have supported that legislation, and we really think we should go further and that we should provide fairness in drug pricing to all American seniors by requiring our drug manufacturers to end that practice of price discrimination that results in the very problem that they were talking about. That is to say drug manufacturers are selling the same medicine in the same bottle with the same label, on average, about half the price in every country in the world except the United States where we pay the premium.

Our senior citizens are hurting today because they cannot afford the \$400 and the \$500 and the \$600 and the \$700 prescription drug cost. That is why Demo-

crats have proposed not only fairness in drug pricing by our drug manufacturers, but we have supported a universal prescription drug benefit as a part of the Medicare program to be sure that all seniors can have their prescription medications as a part of the regular Medicare program that has worked so well in this country for our seniors for so many years.

I come to the floor today during this Special Order hour on behalf of the Blue Dog Democrat Coalition. That coalition consists of 33 fiscally conservative Democrats in this House who believe very strongly that this country is going in the wrong direction with regard to its fiscal affairs. We believe in balanced budgets and paying down our almost \$6 trillion national debt. We believe that it is time to face up to the reality that we are now robbing the Social Security trust fund to run the rest of the government, something that this Congress a year ago pledged not to do on at least four or five occasions by record votes on the floor of this House.

It seems that the Congress and the administration have not been candid with the American people about our fiscal affairs. But what most Americans remember is that a year ago we were talking about record surpluses in our Federal budget. We were talking about surpluses, as I remember President Clinton saying, as far as the eye can see. And when President Bush came into office with those projections of surplus, he called on this Congress to pass the largest tax cut in the history of America. I voted for that tax cut because I believe people need tax relief. But when I voted for it, we were projecting over \$5 trillion in excess funds that would flow into the Treasury of the United States over the next 10 years. The tax cut took about half of that estimated surplus.

The problem is that we stand here today 1 year after the enactment of that tax cut and the entire remaining balance of that estimated surplus is also gone. In fact, we are back at the point where we are not projecting surpluses over the next decade; we are projecting deficits. So once again, the Congress of the United States and the administration is putting the operations of our Federal Government on a credit card, a credit card that will be passed on to our children and our grandchildren.

Mr. Speaker, I have a chart that will depict what has happened. What this chart shows us is the history of the Federal budget since the last years of the administration of President Lyndon Johnson.

□ 1615

It traces the history through the Nixon years and the Ford years, the Carter years, the Reagan and Bush I years, the Clinton years, to the present administration. And what this chart shows is the history of the Federal budget deficit, and we are talking about the deficit outside of the Social