

### AFFORDABLE PRESCRIPTION DRUG PLAN

(Ms. MILLENDER-McDONALD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. MILLENDER-McDONALD. Mr. Speaker, with 12 million seniors without prescription drugs, it is time for this House to address the issues that are so critical to seniors.

Mr. Speaker, I want to speak out on behalf of seniors who are in need of comprehensive prescription drug coverage. Right now many seniors are forced to choose between buying food or purchasing necessary prescription drugs to sustain their health.

The Democratic proposal will help all seniors by expanding Medicare to offer a prescription drug benefit that is universal, affordable, dependable, and voluntary. We do not and we cannot do less than to offer elderly women and men access to adequate health care that they can afford and easily be accessible.

Our Republican colleagues are offering a plan that gives no real benefits or assistance to those who need quality prescription drug coverage. Their plan would cover less than one-quarter of Medicare beneficiaries and the cost over the next 10 years. Their plan would leave almost half of all of our seniors with no drug coverage. Remember what I said, 12 million without drug coverage whatsoever.

We need to now give what is needed to seniors, Mr. Speaker. We can ill afford to wait any longer. We cannot advance this position any further. We must give our seniors the necessary prescription drug coverage.

In contrast, the House Democratic plan will add a new Part D in Medicare that offers voluntary prescription drug coverage for all Medicare beneficiaries starting in 2005. The Democratic plan will help women and all seniors by offering: \$25 monthly premiums; \$100 annual deductibles; Co-insurance where beneficiaries pay 20 percent and Medicare pays 80 percent; \$2,000 out-of-pocket limit per beneficiary per year.

Low-income beneficiaries with incomes up to 150 percent of the poverty rate will pay no premiums or share costs.

Beneficiaries with income ranging from 150 to 175 percent of the poverty level will receive assistance with the Part D Medicare premium on a sliding scale.

The average senior has an income of about \$15,000 per year and so needs an affordable benefit.

Seniors need catastrophic coverage. That is where Medicare pays all prescription costs after the beneficiary has spent a specific amount of money out of their own pockets.

The House plan would pay all drug costs after the beneficiary spends \$2,000. By contrast, the Republican proposal would cost women up to \$3,800 per year.

The President's budget offers only \$190 billion over the next 10 years for Medicare reform including prescription drugs. Further, only \$77 billion of this funding is earmarked for prescription drug coverage to the States to implement a low-income state-based drug plan.

Under the Democratic plan, there would be no gaps in coverage, while the Republican plan will force beneficiaries in need of more than \$2,000 worth of drugs to pay 100 percent of their out-of-pocket costs, and make them continue paying premiums until they reach their \$3,800 cap.

Any willing pharmacy must be included in the network according to the Democratic plan, but private plans can limit which pharmacies participate in their network under the Republican plan.

Beneficiaries would have coverage for any drug their doctor prescribes as included in the Democratic plan, yet with the Republican plan, private insurers can create strict formularies and deny any coverage for drugs not listed in the formulary.

Women and seniors must have a prescription drug benefit that is guaranteed by the government as part of Medicare. Private insurance companies cannot be accountable for offering their own plans to people in need.

The Health Insurance Association of America, the private insurance industry's association, has said they will not offer drug-only insurance because they will lose money. Seniors need a defined benefit so they will know what benefits they are entitled to.

Without offering a minimum benefit, offering a choice to women and seniors won't make sense.

Too many insurance plans will only confuse those in need of coverage. Women are looking for a defined benefit like the one now offered to them by Medicare.

It's time to stop talking about providing for women seniors and actually take action to ensure the quality of their healthcare, and thus their lives overall. If we really care about all women, let's take this opportunity to show our concern by offering prescription drug coverage that will make a difference.

### SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

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

(Mr. GEORGE MILLER of California 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 Indiana (Mr. SOUDER) is recognized for 5 minutes.

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

### THE COST OF PRESCRIPTION DRUGS

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 again to talk about an issue that we

are all painfully aware of and more and more of my colleagues are concerned about, and that we are going to have to deal with here in the next several days in the Congress, and that is the high cost of prescription drugs. I brought with me again this chart, and I would like to show to my colleagues what we are really talking about in terms of the prices that Americans pay relative to people in other parts of the world. These numbers are not my numbers. They were put together by a group called the Life Extension Foundation. I want to point out a couple that I find interesting.

Glucophage, a very commonly prescribed drug for diabetes, one of the most commonly prescribed drugs in the United States. In the United States, a 30-day supply, according to Life Extension Foundation, sells for about \$124.65. That same drug made in the same FDA-approved facility in Europe sells for \$22. \$22. We are not talking about Mexico; we are talking about Europe.

The list goes on and on, and, for example, tomorrow we are going to have a vote, I think, here on the floor of the House about trade, about trade promotion authority. We are going to give our negotiators a little more latitude in negotiating with the Senate. I happen to believe in trade. I believe in free and fair trade.

But this is one area where American consumers could benefit enormously. Our estimates are if we simply opened up markets, allowed American consumers to prescription drugs at world market prices, we could save American consumers upwards of \$60 billion a year; \$60 billion a year. Even here in Washington, that is real money.

What does that mean to the average consumer? For example, my father takes a drug called Coumadin. The United States, the average price is \$64.88. That is a interesting number in itself, because 2½ years ago when we started doing these charts, that price was not \$64.88, it was \$38. In just the last 2½ years, that drug, and nothing has happened, they have had no new FDA approval they have had to go through, as far as we know there has been no litigation, but the price of the drug has gone from \$38 to \$64, and, interestingly enough, in Germany you can buy that drug, the same drug, made in the same plant, for \$15.80.

How long? How long will we hold American consumers hostage? The time has come for Congress to take action. And I am here today not to say, shame on the pharmaceutical industry. They are doing what any capitalistic organization would do, and that is they are exploiting a market opportunity. And are they exploiting it big time.

It is not shame on them, Mr. Speaker, it is shame on the FDA, and it is shame on us for allowing this to go on. And we cannot afford it. We simply cannot afford to continue to subsidize Europe and the Western nations.

I believe that Americans should pay their fair share of the cost of developing these miracle drugs. The pharmaceutical industry has done some wonderful things for us, the American people, and the people of the world, and I think we ought to pay our fair share. But we subsidize those companies in several ways. We subsidize them through the research dollars we spend here in Washington through the NIH. It will be about \$22 billion this year. We represent about 4 percent of the world's population. We represent 44 percent of the basic research dollars being spent, and that research is available to the pharmaceutical companies free of charge.

We subsidize them through the Tax Code. When they do this research, when they invest that money that they say they spend in research, they get to write it off on their tax forms, and in some cases they get a tax credit, so there is no cost to these companies.

Finally, we subsidize them in the prices we pay that are outrageously too high relative to the rest of the world.

No, Mr. Speaker, I think we as Americans ought to pay our fair share, but I am unwilling to continue to subsidize the starving Swiss.

We are going to have a big debate next week about prescription drugs and what we can do about it, and it is time we stepped to the plate and said there is one thing we can do right now with virtually no bureaucracy, with virtually no cost to the taxpayers, that will save American consumers upwards of \$60 billion a year, and that is open the markets.

If you believe in free markets, if you believe in NAFTA and GATT and TPA and all of that, if you really believe in free trade, then open up the markets, allow American consumers, working through their own pharmacists, that is my view, to go to markets, whether it be in Germany or Switzerland or Japan. For any FDA-approved drug in the United States made in an FDA-approved facility, you ought to have access to that no matter where it comes from. I will tell you what is going to happen. You are going to see the prices in the United States go down dramatically, and you will probably see prices in the other parts of the world go up a little but, but that is how markets work.

One of my favorite Presidents was President Ronald Reagan, and he said something so powerful 30 years ago: Markets are more powerful than armies. You cannot hold back markets, and you cannot have a situation where the world's best consumers pay the world's highest prices.

Not shame on the pharmaceutical industry, shame on us. We have a chance next week to do something about it. I hope Members will join me.

#### CONSTITUTIONAL DUTIES OF THE LEGISLATIVE BRANCH

The SPEAKER pro tempore (Mr. KENNEDY of Minnesota). Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I take this opportunity to share with my colleagues concerns that I have with respect to the pursuits that we are now engaged in as relates to the issue of homeland security as well as the responsibilities of this Congress, and the issues that confront us on protecting the homeland and fighting terrorism.

Let me first begin with the understanding of the words from the Constitution of the United States of America. It is well known that the Founding Fathers, who came to this land to establish this Nation on the grounds of seeking relief from persecution, that they wanted a democracy. They wanted to have a Nation that would interact and have exchange between the people and as well the three branches of government. That is why we have the judiciary, the executive, and, of course, the Legislature, which is the Congress.

We do know that the President is perceived and noted to be the Commander-in-Chief, and we respect that. After the terrible tragedy of September 11, we recognize that we must stand united with the President against terrorism.

But let me share with Members in the Constitution the duties of the United States Congress. "The Congress shall have the power to lay and collect taxes, duties, impose excises to pay the debts and provide for the common defense and general welfare of the United States."

In additional language it says, "To establish a uniform role of naturalization and other laws."

I am concerned that this Congress abdicates its responsibilities in this enormous responsibility of dealing with peace, dealing with war and dealing with fighting terrorism.

Just a few days ago, in fact over the weekend, there was a pronouncement that the President of the United States had signed an order of covert action against Saddam Hussein in Iraq. There was no debate, no discussion in the United States Congress, no discussion in the People's House. No one asked the question whether this was the appropriate direction to take this Nation on behalf of our children and the safety of this country.

I would venture to say that we know that there has been no documentation or little evidence of Saddam Hussein's involvement in September 11, but we know that he is a despot, a dictator, that he is doing harm to his people. We also know that he is not allowing the inspections to go on pursuant to the United Nations. But we also recognize that there is no substance there, as much as it was some 10 years ago. So is this a valid use of our resources with-

out the debate of the United States Congress?

Why not prioritize the Mideast and establish peace there. Look at the tragedies that are occurring in the Mideast, the loss of life. Are we going to divert resources to Iraq when we still have a problem in the Mideast and most of the Muslim world will not support us in going to Iraq?

What about alternatives? We already know the CIA has failed in some of the efforts they have made in Iraq. What about alternatives to going in and doing what has been ordered or suggested by the President?

And who will be with us? This is an important question that I think is enormously valuable for us to ask.

As we ask these questions, we can make a considered decision about foreign policy on behalf of the people of the United States. We have just found out that we are going to move swiftly on the Homeland Security Department. I support that, but I raise the question whether we should move swiftly in the body of the House with the committees of the House that have jurisdiction, so that when we formulate the Homeland Security Department, we have the input of representatives from around the Nation.

I am disturbed that the leadership of this House would narrow the initial or the finalizing of homeland security to a nine-person committee, although I respect that committee. I believe it is important that the committees of jurisdiction have intimate responsibilities in dealing with homeland security because we speak for the people of the United States.

So do not narrow it to a committee that is so small. Envision the utilization of the committees of jurisdiction, because there are particular areas of expertise. What should we do with the Immigration and Naturalization Service? We should make sure that we still have a body that allows people to access legalization, to be legal, because this Nation is still a place where people come for refuge and come for opportunity, and we must recognize that every immigrant or immigration does not equate to terrorism.

So when we talk about this Homeland Security Department, which should be open to the expertise of this House, we should not narrow and give up the responsibilities of Congress that are given in the Constitution, and that is, again, to take care of the defense and the general welfare of the people of the United States.

I am concerned, Mr. Speaker, that this Congress is abdicating its responsibilities, and I call upon us to immediately get involved in creating a Homeland Security Department, but as well to ensure that decisions of war are made in this body and not independent of this body.