

The Republicans say, You cannot do that. We do not want you to do that. Not only did the drug companies give all this money to the Republicans, not only did they write the bill to make sure that they were protected in the sense that there would be no effort to reduce price, but also they started running ads almost immediately after the Republican bill passed the House of Representatives touting the fact that certain Republicans who were running in tough races this November to be re-elected, that those Republicans had voted for the Republican bill and how wonderful they were and how wonderful they were to their senior constituents because they voted for this bill. Amazingly, if you think about it, you give money to prevent the good bill from coming up, you make sure that your bill is the one that is written, and then you go out on the airwaves and you pay for advertisers who tell the American public that the person who voted for this pharmaceutical boondoggle is doing the right thing and in some way is some sort of a hero. But this is exactly what was done.

There is a report that I have, and this was actually done by Public Citizen, another nonprofit group. They pointed out in the report issued in July of this year that United Seniors Association, which is the group that is running these ads telling you how wonderful the Congressmen are that voted for the Republican bill, is basically nothing but a front group for the drug industry. Drug companies gave that organization that runs these ads and pretends to be sort of neutral \$10 million initially to push the drug bill favored by the industry.

In fact, the information I have, which is really new information, this week, says that not only has this alleged senior group that is being underwritten or financed by PhRMA, by the drug companies, not only did they start running the ads in June or July after the Republican bill passed here, but they have continued to run ads and now as of, I guess this is dated yesterday, September 16, which I am going to read you now, they are just pumping even more money into these ads. This is a "Daily Health Report" from the Kaiser Network, the Henry J. Kaiser Family Foundation, Kaiser Network. It says that the Pharmaceutical Research and Manufacturers Association, that is PhRMA, the drug companies' trade group, has contributed millions of dollars in recent months for political ads in several States with tight congressional races.

For example, the industry group has provided the United Seniors Association, which runs the ads, with more than \$8 million for ads promoting about two dozen House candidates who support the House-passed GOP drug bill which includes the prescription drug benefit. The commercials began running last week in about 20 regions where Republicans face tough races this fall. The ads are tailored to each

race, stating that the candidate understands the need to assist seniors with health care costs and supports adding meaningful drug coverage for all seniors. The ads end by encouraging viewers to call their respective Congressman and urge him to keep fighting for his bill. The association's campaign, which also includes Internet and direct mailing efforts, is supported by a general education grant from PhRMA.

In addition, another group, the 60 Plus Association, has been running radio and newspaper advertising in selected States backing the GOP-backed drug bill. The National Journal reports that both groups are helping Republican candidates and drug companies by promoting industry-backed legislation.

I do not want to keep going on, but the other thing that we found is that not only are the drug companies financing these ads telling people to support candidates that support their bill but now they are also putting pressure on companies to not support an alternative bill which the Democrats are pushing in particular this week that would make it easier for generics to come to market. This is from the same report, from the Kaiser Network.

It says that in other prescription drug news, pressure from the pharmaceutical industry has forced several companies to drop their support of a Senate-passed bill, S. 812, that would ease market entry of generic drugs, according to a Washington Post editorial from yesterday.

Earlier this month, Georgia-Pacific and Verizon Communications left or reduced their roles in Business for Affordable Medicine, a coalition lobbying for easier access to generic drugs, after brand-name drug makers threatened to end contracts with the companies. Georgia-Pacific asked to not be listed on the coalition's Web site after receiving pressure from Eli Lilly, and Verizon left the coalition recently after being pressed by Wyeth. Since then, Marriott International quit the coalition and UPS has asked to be removed from the Web site. "Given that all these companies stand to benefit from lower drug prices, it's a fair guess that drug company pressure had something to do with their decisions," The Washington Post stated, concluding that it is a "worrying sign" that the "eminently reasonable reform" passed by the Senate "faces tough sledding in the House, whose Members now have to choose between affordable medicines and placating the drug lobby."

Let me explain a little bit what this generic drug bill is that the Democrats are pushing now, again in an effort to try to reduce costs. What basically has been happening is that brand-name companies get a patent for a particular drug, a prescription drug when they develop it, when they do the research and they develop it. They are able to seek a patent and gain a patent where they have so many years where they exclusively can sell the drug because they

produced it, or they researched and developed it. The reason that that patent is given is because it is basically incentive for a company or an individual to develop a new miracle drug.

But after so many years when this exclusivity runs out, the theory is that the drug companies benefited greatly and made a lot of profit on the drug, then generic companies, basically any company can come in and produce a similar generic drug which obviously is sold for significantly less and is one way of trying to reduce costs for prescription drugs.

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But the problem is that over the years the brand name drug companies have tried to come up with all kinds of ways of getting around the end of their patent, by renewing it, or playing some kind of games or gimmicks, if you will, to try to get the patent extended or get a new patent that is similar to the old one so you cannot bring generics to market.

I do not want to get into all the details of this, but I want to give one example. Under current law, when a generic drug seeks FDA approval and a brand company's drug is patented, the brand company can sue the generic for patent infringement. But under the current law, which is called Hatch-Waxman, it forbids the FDA from approving the generic application for 30 months.

Basically what they are saying is if the patent has expired and a generic wants to come in and produce the same drug, but the company that has the patent feels that somehow the patent is going to be infringed, the FDA basically gives a stay for 30 months, if you will, before the generic can come to market. What the brand companies have done is they have used this provision by dragging out lawsuits and by obtaining a series of 30-month delays through the last-minute filing of new and sometimes frivolous patents.

I do not want to get into all the details of this, but the bottom line is they can keep running the period when the patent is exclusive, essentially, and force the situation where the generic drug does not come to market. There are all kinds of examples like this.

Some of my colleagues, on a bipartisan basis, the gentleman from Ohio (Mr. BROWN), a Democrat, and the gentlewoman from Missouri (Mrs. EMERSON), a Republican, introduced a bill called the Prescription Drug Fair Competition Act, H.R. 5272, that seeks to basically get rid of a lot of these loopholes so that the generics can easily come to market and these patent abuses cannot continue.

This bill actually passed in the Senate, I am sorry, Mr. Speaker, by the other body, but so far our efforts, primarily by the Democrats, to bring this bill up in this House and have it passed here so it can go to the President and be signed into law have achieved nothing. The Republican leadership refuses

to have a hearing in committee, refuses to allow a vote to bring it out of committee, refuses to let it come to the floor of the House.

Now, this is only one way of trying to reduce costs, but a very effective way. Essentially what we have been seeing in the House under the Republican leadership is that every effort that has been made, either by the Democrats or on a bipartisan basis as this generic bill was, to try to come up with formulas that would reduce costs, the Republican leadership just will not allow it to come up.

As I mentioned before, in their own benefit bill, their prescription drug benefit bill, the privatization bill, they have this non-interference clause that says you cannot negotiate price reduction. The Democrats mandate in their bill that prices are reduced. The Democrats in the other body, they actually passed a bill that would plug up these generic loopholes. The Republicans in the House refused to bring it up.

There are many other examples. We have bills that would allow reimportation from Canada. As I think many of my colleagues know, if you compare the United States and the price of drugs in the United States to almost every other developed country, you take like the top 5 or 6 countries by gross national product, Britain, France, or even smaller countries like Canada or Italy, whatever, Western Europe, other developed countries, you will find that prescription drug prices are significantly less, sometimes 30 or 40 percent of the cost of what you would pay in the United States. So one of my colleagues, the gentleman from Maine (Mr. ALLEN), proposed a bill that said that the cost that companies charge for prescription drugs in the United States has to be comparable to what citizens in these other countries pay.

Well, of course, we cannot get that bill posted by the Republicans. They will not allow that to be posted.

We have also tried to, as I said, pass a bill that would allow you to reimport a drug. In other words, you could apply to a drugstore in Canada, for example, over the Internet, or even physically go to Canada and bring the drugs back into the United States. Legislation has been introduced by my colleague, the gentleman from Vermont (Mr. SANDERS), that would allow reimportation from Canada. Republicans will not let that bill come up. That has not come to the floor.

The list goes on and on. Probably one of the worst examples is that right now, when the brand name drug companies advertise for certain drugs on TV and encourage you to use a brand name as opposed to a generic for a particular drug, the advertising costs are actually underwritten by the taxpayers. They get a tax credit or deduction for that kind of advertising. That actually encourages you as the consumer to pay higher prices for the brand name drug.

So all of these things, we have legislation on the Democratic side that

would eliminate the tax subsidy or the deduction or the tax credit for that kind of advertising by the pharmaceutical companies. We cannot bring that up either. They will not allow it.

The Republican leadership does not want us in any way to address the issue of cost and trying to reduce costs for prescription drugs, because basically the drug industry is behind the Republican efforts, paying for the Republican candidates, and they are basically in the pockets of the brand name drug industry.

I do not mention this because I am trying to be evil or trying to say that all Republicans are bad or anything of that nature, but the problem is that the leadership very much does whatever the brand name drug industry wants, and that is the main reason why we are not able to get any kind of effort to reduce prices, and it is another reason why we are not able to get any kind of expansion of Medicare to include prescription drugs.

Mr. Speaker, I just would like to take a little more time, and then I am going to conclude this evening, to talk about the benefit.

My constituents in New Jersey over the last 2 or 3 years since the Medicare+Choice, the HMO programs effectively tried to sign up a lot of seniors under Medicare on the theory that if you signed up for an HMO you would get your prescription drug coverage, because Medicare does not normally cover it, but some of the HMOs that were offering Medicare policies in New Jersey were offering a prescription drug plan as part of their HMO Medicare policy.

But what we found is that more and more of the HMOs after 6 months or a year would pull out of the Medicare program and would not give seniors the option, if you will, of joining an HMO and getting their prescription drug benefits.

There was an article just last week in the New York Times dated September 10 entitled "HMOs for 200,000 Pulling Out of Medicare" by Robert Pear. It says, "Health maintenance organizations serving 200,000 elderly and disabled people said they will pull out of Medicare next year, raising to 2.4 million the number of beneficiaries that have been dropped by HMOs since 1998."

Again, if you talk about a privatization plan for prescription drugs, we already have the example with HMOs which were offering prescription drugs to seniors and increasingly have dropped them because they cannot afford to provide the benefit. It seems to me that that goes far to explain why a privatization program for seniors to provide seniors with a prescription drug will not work, and that is why you have to simply expand Medicare along the lines of what the Democrats have talked about in order to provide a decent benefit.

Mr. Speaker, I will conclude with that, but I want to say that I am going

to be here many times, many nights, over the next 3, 4, 5 weeks before we adjourn, and I know I am going to be joined by a lot of my colleagues on the Democratic side, saying that before we adjourn we need a Medicare prescription drug benefit that covers all seniors and everyone under Medicare and that is affordable, and, secondly, that we need to address the issue of price and rising costs for prescription drugs, pass the generic bill, provide some kind of reimportation, provide some sort of process whereby the agency that administers the Medicare program can negotiate cheaper drug prices. All these things have to be done.

If any of my colleagues on either side of the aisle doubt that this is an important issue for the average American, whether they are a senior or not, they just should spend a couple of days at a forum or talking to their constituents on the street, and they will find that they are crying out for this Congress to address this prescription drug issue in an effective way.

#### ENSURING FREEDOM OF SPEECH IN AMERICA

The SPEAKER pro tempore (Mr. SHUSTER). Under the Speaker's announced policy of January 3, 2001, the gentleman from North Carolina (Mr. JONES) is recognized for 60 minutes.

Mr. JONES of North Carolina. Mr. Speaker, I can assure you and the staff that I will not take that much time. That might be the best news I can give.

Mr. Speaker, I am pleased to have a few minutes of this hour to talk about an issue that I think, as my friend from New Jersey feels that the issue he is talking about, prescription drugs, is important, and I would agree it is important, but I want to talk about freedom of speech.

I think that there is nothing except the Bible that is more sacred to the American people than the Constitution. It is second only, again, to the Bible.

Tonight I want to talk a little bit about H.R. 2357. This is a bill that I introduced about 2 years ago. I actually have 130 sponsors, and I believe you, Mr. Speaker tonight in the Chair, are a cosponsor of this also.

In this country we have our men and women in uniform that right now are overseas in Afghanistan, and they could be called on to be in other parts of the world to defend the national security of this country, and the national security of this country includes our constitutional rights and our freedoms, the things that we cherish. We really appreciate those who have given their life for this country in the past and what they have done to ensure that we would have the freedoms that we enjoy in this great, great Nation, blessed by God Almighty.

I would like to give a little bit of the history of this bill that I put in. If this was 1953, Mr. Speaker, I would not even be on the floor, because there would be