

traditional Medicare, but it makes it better and stronger. It does not make it more expensive. It does not make it less accessible.

To further ensure that seniors have choices, the 21st Century Medicare Act requires qualified providers of the prescription drug benefit to have "bricks and mortar" pharmacies in their network.

Let me pause here to tell you just how important our Nation's pharmacies are to seniors and to all Americans. You can give seniors prescription drugs, but if they don't know how to use them, they don't get any benefit.

Pharmacists play a critical role in counseling seniors and other patients about drug interactions and medication use in general. During the debate on how to structure a Medicare prescription drug benefit, we cannot forget that pharmacists will play, and must play, a critical role in making this a quality benefit.

So I am very pleased to be one of the cosponsors of the 21st Century Medicare Act. I intend to work to enhance the bill in regard to the role of pharmacists in the future.

I have received, as I am sure we all have, many examples of those who have written to express their support for a Medicare prescription drug benefit. I have also heard this sentiment expressed in town meetings across the State of Arkansas. During the Fourth of July recess, there was no issue more on the minds of my constituents than the rising cost of prescription drugs and how Congress is going to deal with it.

Ruth Blair, from Rogers, AR, writes:

Please vote for help with prescription drugs for senior citizens. We either eat or take medicine. It's a tradeoff.

That is the sad situation for millions of Americans and tens of thousands of Arkansans on Medicare.

In 2001, more than 15 million Medicare beneficiaries had no prescription drug coverage at all, according to the Kaiser Family Foundation. Almost 400 new drugs have been developed in the last decade alone to fight diseases such as cancer, arthritis, heart disease, and diabetes. While 98 percent of employer health plans offer coverage of these often lifesaving therapies, Medicare does not. That is the issue before us. That is what we must address.

Dorothy Adams from England, AR, writes:

Please support a prescription drug benefit. My husband and I have \$300 to \$400 drug bills every month.

That adds up to \$3,600 or \$4,800 per year. Under the tripartisan bill, the Adams family would have 90 percent of their drug costs covered after reaching \$3,700 in drug costs. That is the kind of help we can give.

We have this phantom bill that is going to be brought to the floor by the Senate Democrats. It has not been scored by the Congressional Budget Office. We do not know what the pricetag is going to be. And there are different

estimates out there as to what it is going to cost.

The original Graham-Miller-Daschle-Kennedy bill, the temporary benefit bill that was introduced, has a sunset provision. So you have a benefit that is truly an illusion. It starts late and ends early.

The Graham-Miller bill, which is the only bill we have to analyze right now, establishes a prescription drug benefit for seniors, and then it takes it away by terminating the benefit in 2010. That is the cruelest of all hoaxes. That is the ultimate use of a sensitive issue for vulnerable people for political purposes. And it is no way to fulfill our promise to America's seniors. They do not need a benefit that will disappear a few years after they sign up.

This gimmick is intended for one reason, and that is to reduce the price tag of the Democrat proposal.

AARP has said that a prescription drug benefit should be "a permanent and stable part of Medicare." The key word is "permanent." The benefit created under Graham-Miller bill is neither permanent nor a stable part of Medicare.

The Graham-Miller bill supposedly costs \$450 billion over 7 years, according to the bill's sponsors. But by others' calculations, the bill could cost as much as \$600 billion or, without the sunset, easily \$1 trillion.

A benefit that costs \$600 billion over the next 10 years would require cutting 10 percent of all Government programs other than Medicare. That includes education, health care, and national security programs. That is not responsible.

If we want a bipartisan bill, if we want a bill that Republicans and Democrats have worked together on and have consulted on and cooperated on—then we have a tri-partisan bill that we can vote out, and we have the prospect of actually having a responsible, realistic, achievable prescription drug bill to give the President this year.

But if the House passes a partisan bill, and if the Senate leadership insists that we are going to bypass the Finance Committee and bring a purely partisan bill to the floor of the Senate, it is a prescription for doing nothing this year. I suggest that in fact—though it will never be admitted—such failure is exactly what some people want to happen.

The Graham-Miller bill is partisan and does not currently have the support of Finance Committee Chairman MAX BAUCUS. It is apparent that the Graham-Miller bill could not pass out of the Finance Committee, and I would suggest that may be why the Finance Committee was not allowed to mark up a bill.

If the majority leader were serious about getting a prescription drug bill enacted into law this year, I would suggest that he would not bypass the Finance Committee. Is it a real accomplishment, achievement, that we want,

or is it an election issue for November that is sought?

The majority leader has, I believe, turned a blind eye to the fact that there is in fact a bipartisan bill—a tripartisan bill as it is being called; it was introduced on Monday by Senators GRASSLEY, JEFFORDS, BREAUX, SNOWE, and HATCH—which I have cosponsored. It could pass out of the Finance Committee today if the committee were allowed to bring it up.

If Democrats and Republicans are willing to work together, we could make meaningful progress for our seniors.

In 1999, Republicans supported legislation based on the bipartisan Breaux-Thomas proposal which would have spent \$60 billion over 10 years on a Medicare prescription drug benefit. That was 1999. But Democrats rejected this proposal and offered a \$111 billion proposal. That was in 1999.

In 2000, Republicans proposed a drug benefit that would have spent \$140 billion over 10 years on a Medicare prescription drug benefit, but Democrats again rejected this proposal as inadequate and offered a \$338 billion proposal. That was in the year 2000.

In 2001, Republicans and Democrats agreed on a budget resolution which provided \$300 billion for a Medicare prescription drug benefit. The House of Representatives has passed a \$350 billion proposal, and there is a bipartisan bill in the Senate which is a \$370 billion proposal. Yet the other side now says that is not enough.

I suggest that nothing will be enough because they do not want an accomplishment, they do not want an achievement, they do not want a prescription drug benefit this year. They want a campaign issue.

If we are serious about providing seniors with a Medicare prescription drug benefit, in the days ahead we should look at the only truly bipartisan bill that has a majority of support. Senator GRASSLEY, Senator BREAUX, Senator JEFFORDS, and others, who I have now joined as a cosponsor, have crafted a responsible, achievable, doable prescription drug benefit that can be conferenced, passed, and sent to the President.

So if we really mean it—when we say that the issue is not process, but our seniors—then the time to act, on a bipartisan basis, is now, instead of going down the road of a purely partisan political exercise.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

#### 21ST CENTURY MEDICARE ACT

Mr. GRASSLEY. Madam President, Medicare has not kept pace with the

improvements in health care since its inception in 1965. It was a plan that was put together based on the practice of medicine in 1965, which you might expect to be natural for any program written at that particular time. At that particular time, the practice of medicine was to put almost anybody in the hospital who had anything very serious wrong with them. Today, the practice of medicine is to keep people out of the hospital environment as much as we can. Prescription drugs are very much a part of the medical plan to keep people out of hospitals.

Back in 1965, the cost of prescription drugs as part of the total cost of medicine was about 1 percent. Today the practice of medicine and the cost of medicine related to the total practice of medicine is about 10, 11 percent. So quite obviously, if Medicare is to be brought into the 21st century, we have to modernize it by including a prescription drug program for everybody, not just like it has been, prescription drugs for people who are in the hospital, but once you leave the hospital, no prescription drugs.

We have assumed a responsibility, some of us. I think maybe all 100 Senators agree on this issue, although they may not agree on how to do it, but we have all come to the conclusion that if you are going to strengthen and improve Medicare for the 21st century, Medicare must include a prescription drug program.

Several of us in this body—Senators BREAUX, JEFFORDS, SNOWE, and HATCH, and this Senator—have introduced a plan that we call the 21st Century Medicare Act. To cite the most obvious example of Medicare being outdated, many conditions that used to be treated in the hospital are now treated with prescription drugs. For that reason, employer-sponsored health plans have changed with the times since 1965 and now cover prescription drugs. But Medicare does not cover prescription drugs outside of the hospital environment.

Imagine that private health insurance for a long period of time has been including prescription drugs, but the Government-run Medicare Program is still back there in the 1960s, not covering prescription drugs.

There is another example of the outdated Medicare Program. The practice of medicine has evolved to focus on preventive benefits, since everyone knows that an ounce of prevention is worth a pound of cure. For this reason, many private health plans have eliminated cost sharing for preventive benefits. But the 1960s Medicare plan, run by the Government, has not covered preventive medicine in the same way that private health plans have by eliminating cost sharing. We still have cost sharing in the 1960 plan.

We ought to have Medicare come into the 21st century from the standpoint of eliminating cost sharing for preventive benefits in order to make sure that we emphasize an ounce of prevention weighed against a pound of cure.

There is a third example of Medicare being out of step. For those of us with employer-sponsored coverage—and Members of the Senate would fall into that category—these programs provide a limit on how much we will have to spend out of pocket if we become seriously ill. Yet the 1965 brand of Government-run health program, Medicare, offers no such protection for our senior citizens.

I will give three examples of the 1960-era, Government-run Medicare plan that does not give seniors adequate protection. Most important among all those is not having a prescription drug program.

I could go on and on, but I would rather focus on the good news. There is a compromise that can be enacted into law this year so that we can finally get to the business of bringing Medicare into the 21st century; in other words, to have a Government-run Medicare Program for seniors that parallels the practice of medicine in the 21st century.

This compromise, once again, is the only bipartisan compromise inside the beltway or outside the beltway. It is offered by Senators BREAUX, SNOWE, JEFFORDS, HATCH, and this Senator.

I emphasize the importance of bipartisanship. Nothing can get through the Senate that is strictly Republican or strictly Democrat. The Senate was meant to function for the last 214 years based on the proposition that minority points of view would be protected and considered. Consequently, with no limit on debate, with efforts of people to stymie the process, it is very essential that we work from day 1, if you want to get anything done, in a bipartisan way to craft a bill.

The five of us didn't just decide to do this. We started last summer to work on a prescription drug bill that could garner bipartisan support. We even announced about a year ago some basic principles, very broad principles, but we immediately got to work on filling in details. We had most of the details filled in back in March—not everything specific, but pretty much the principles and the details filled in.

I suppose people are asking: Why just now has this bill been introduced? We have even had some of the legislative language written a while ago.

Well, the reason we couldn't present our colleagues in the Senate this bipartisan approach was because we had to wait for the Congressional Budget Office to do the scoring and also, based upon preliminary scoring, some fine tuning on our part. It was just over the weekend that we, after we did our final fine tuning, got the final figures so that the bill could be put before the people of the country yesterday.

I want to mention bipartisan because obviously the President—there is one person there, one party—when he puts forth a proposal, it is partisan. There is a House Republican proposal that was passed. That is obviously a partisan proposal. There was a House Democrat

alternative. It was obviously a partisan proposal. And there is a Senate Democrat proposal that is obviously partisan. There is no Republican proposal, something that represents the point of view of just Republicans in the Senate. But there is this bipartisan plan put together by Senators BREAUX, SNOWE, JEFFORDS, HATCH, and myself that is the only bipartisan plan, and not hastily put together, as 1 year of work on it indicates.

Consequently, it seems to me that if the Senate majority leader had allowed the Senate Finance Committee, which has jurisdiction, to work its will—and there is a majority of the Senate Finance Committee that is backing this proposal—we would have something out here for the Senate to consider, a bipartisan proposal.

That doesn't prove it would get 60 votes, but it has to be further down the road to accomplishing that very important goal than any of the proposals here in Washington, DC. Any coverage will have to be a compromise, a beginning. It is not something perfect.

I applaud Senator BAUCUS for seeking a reasonable compromise that can pass the Finance Committee. He has held a lot of rump sessions to discuss these things and understand them. But we have not had the opportunity to have the formal session to actually debate and amend and vote out a compromise. So after working on this for over a year, I can say this bill is that compromise. This level of total spending—\$350 billion—is the level that can gain a majority of the votes in the Senate Finance Committee. In moving it up some to satisfy some people, or moving it down to a lower figure to satisfy some other people, it begins to lose votes from the high end or from the low end.

Nobody, including me, considers this a perfect plan, but it is the only deal that can be struck, and it is the only bipartisan proposal in Washington, DC. I urge Senator DASCHLE to allow the Finance Committee to work on my bill. Let any Senator, in a free exchange and consideration in the Senate Finance Committee, offer amendments. That is the only way to have a product that can get 60 votes.

As I have already written to Senator DASCHLE, to bypass the Senate Finance Committee when it can put out a bipartisan project is probably to kill any chance of a drug bill, and I hope he will reconsider.

Let me be very candid. Drug spending by the senior population is exploding. The cost between the bill a year ago, when we started, until now—as I said, it evolved over 12 months—has gone up \$70 billion, but not because we as Senators working on this bipartisan compromise decided we wanted to spend \$70 billion more, no; that is the way the drug market is today. So if Senator DASCHLE wants an issue instead of a program for seniors, then we come back next year, and it doesn't matter who controls the Senate. We will come

back next year and we are going to spend another \$70 billion to \$100 billion more. Why don't we decide to put that money into the program and save it by adopting something right now, when we know, based upon the projections of prescription drugs, what is going to happen.

Let me suggest to you that the passage of strong legislation is going to be a damper on those exploding drug prices. So we have an opportunity and, if we miss it, it is going to cost Medicare a tremendous amount of money. Maybe \$100 billion is a little bit high, but \$70 billion to \$80 billion to \$90 billion would not be out of the realm of possibility. And we should also do it now so that baby boomers who have these good corporate plans they want to retire on are not shocked with a big difference between what 1965 Medicare is and what they have. They won't have to go through that if we have this bipartisan plan that gives seniors an option of having a new and improved and strengthened Medicare plan that is much closer to what they have now in the world of work.

The baby boomers are going to start to retire in only 8 years. So a new drug benefit could be incredibly expensive and could even put the existing Medicare Program at risk. In light of these facts, the truth is that we cannot afford an extravagant benefit. If we get to work and get it done now, it is not going to be so expensive.

The other main component of the bill that I have already made some reference to is a new, enhanced Medicare option, and it is not something seniors have to take if they don't want to. If they want to keep what they have right now, they can keep it, but if they want something a little closer to what they have in the private sector, they will have that available.

I talked about Medicare or a prescription drug program, but there is a new and enhanced Medicare option that reflects 21st century health care. The enhanced option removes all cost sharing on preventive benefits. Just think. If somebody under the present Medicare has an opportunity to take a prostate cancer test, and they have a 20-percent copay, and they say: "I just cannot afford it," or "I don't want to pay that copay," you are going to discourage that person from taking that test. And one out of three men might need an operation to catch it ahead of time so that cancer hasn't spread. No copay. That is more apt to be. That is an ounce of prevention worth a pound of cure. It brings Medicare into the 21st century. It adds protection against devastating costs due to serious illness. It features a single deductible of \$300 and a rational cost sharing rather than the irrational cost sharing in the existing fee-for-service system. It offers new, cheaper Medigap options. And with the improved coverage, beneficiaries might decide they don't need to buy Medigap at all.

This would create a tremendous savings for them and, potentially, for

Medicare. The enhanced options resemble what beneficiaries had when they were still working, and they might decide to take it. But this is all entirely voluntary. We don't say to a single senior citizen in America that they have to do this. It is their choice. If they like what they already have, what has been on the books since 1965, they can have it.

The cost of our reform provisions—this new and improved and enhanced Medicare—is only \$30 billion over 10 years.

Now, the AARP held a news conference today. Everyone around here knows that Senator DASCHLE's partisan approach cannot lead to 60 votes and can only lead to deadlock. Failure is not acceptable to the people of Iowa and it is not acceptable to me.

Let me comment on the substance of my bill, the 21st Century Medicare Act. The drug benefit we offer is a voluntary benefit with affordable premiums of \$24 a month. Unlike some proposals, it will provide drugs in a cost-effective manner, which is crucial. It will protect all seniors with drug costs, with special protections for low-income beneficiaries and those who incur very high costs. By law, at least two plans will be available everywhere in America, including rural areas, which is so important to me.

The Congressional Budget Office tells me that virtually all beneficiaries will find this drug benefit a good deal and will elect to take it. In fact, when you hear people demanding that "Cadillac" drug coverage be added to Medicare, what that tells you is that person doesn't really want legislation to pass. They just want an issue on which to campaign.

I have been very surprised and somewhat disappointed at the recent activity of the AARP on this issue. They ran ads this past weekend and they held a news conference today supporting the bill that Senator DASCHLE, we are told, plans to bring to the floor. In the same breath, they say they want a drug benefit that is permanent. They should make up their minds because Senator DASCHLE's bill is not permanent. That is because making it permanent would reveal how unaffordable it is. It is difficult to understand why they are sowing such confusion on the issue. Do they believe we should sunset the Medicare Program as a whole, as that bill does? I do not think we are going to sunset senior citizens. When the prescription drug program ends in 2009 or 2010, do they think the senior citizens of America are not going to need prescription drugs the next day? I hope AARP's members will tell Senator DASCHLE that is quite ludicrous, and they would be right.

Believe it or not, my bill—I should not say "my bill" because I have never had the pleasure of working with so many politically different people as Senator HATCH, Senator SNOWE, Senator BREAU, Senator JEFFORDS, and myself—I am different, too. Over the

course of a year, we had give and take by people with so many different political philosophies, bringing us to where we are with this bill. So many times along the way we thought everything would fall apart, but we would come back together because people of good will working together can get things done.

That same good will is on the Senate Finance Committee if we just have an opportunity to work the will of the committee. But we have produced a product—and I said I am embarrassed it was this Monday; it could just as well have been May 1, but we just could not get the Congressional Budget Office to score the bill. Maybe it is legitimate. It is a whole new Government program. They had to take into consideration putting people on board. I suppose CBO had to do a lot of education of their own staff. All I can say is, it is here, and it is not here too late.

Believe it or not, this bill is the only true bipartisan bill in all of Washington, DC, to add a drug benefit to Medicare. If ever there was an issue where true bipartisanship was needed, it is in this bill, it is needed beyond the authors of this bill to the entire body, and we can get something done this year rather than wait next year to spend another \$100 billion more with the costs rising.

In short, the bipartisan 21st Century Medicare Act is the reasonable, pragmatic approach that can work even in an election year if Senator DASCHLE wants us to do it.

I thank the Chair.

The PRESIDING OFFICER (Mr. DAYTON). The Senator from Nevada.

Mr. REID. Mr. President, I will be brief. The Senator from Utah has been waiting for some time. I am not going to talk long in this regard, but I say to my friend from Iowa, for whom I have the deepest respect—I consider him a friend and a fine Senator—that AARP supports Graham-Miller because it is good legislation. I do not think anyone could ever consider the AARP as some wild-like liberal group. They are very careful with the legislation they sign on to.

I also say to my friend from Iowa, it is too bad we had not been able to start debating his amendment and other amendments earlier. Every time we bring a bill up, we have to fight to get it on the floor, but we are going to continue to do that. As on the other bills I listed earlier today which we had to fight to pass, we are going to work hard on this bill. We are going to pass prescription drug legislation because it is necessary we do that.

2002 NATIONAL PEACE ESSAY CONTEST SOUTH DAKOTA WINNER, JESSICA HICKS

Mr. DASCHLE. Mr. President, I am honored today to present to my colleagues in the Senate an essay by Jessica Hicks of Rapid City, SD. Jessica is a student at St. Thomas More High