some other legislation this year, we will be able to provide that supplemental help to them until we are able to straighten out the payment formulas under which Congress reimburses the hospitals and other providers that are providing care called for by Medicare.

Let me summarize the point about the difference between the two prescription drug proposals and how we are likely to pass a drug bill that will actually be signed into law. If we had been able to pass a bill out of the Finance Committee, we would only have to have a bare majority—51 votes. The tripartisan bill has support on both sides of the aisle, Democrat and Republican as well as Senator JEFFORDS, another cosponsor, to be able to pass. We could actually get together with the House of Representatives, make the changes, the compromises between the House bill that has already been passed and this bill, and get it to the President for his signature, and by the beginning of the fiscal year we could actually be implementing a new drug for our seniors that they do not currently have.

But because that does not fit in with the plans of the majority leader, we are now in a situation where any bill that is brought here is going to have to have 60 votes to pass. Because of the realities of the political environment in which we operate, it is unfortunately the case that it is going to be very difficult to get 60 votes for any plan.

The one that has the best chance is the tripartisan plan that I alluded to earlier. It is not the bill I would have written, but I am willing to support it because it is a good proposal that has the best chance we have to actually get something passed and deliver a real benefit to our seniors. We will have time to work the issues in the conference committee. We will have time to continue to modify the legislation after it is passed and signed into law. But we have to act, and every year we do not act is a year in which more and more seniors are denied the benefit that they need, that their physicians are prescribing for them and, unfortunately, many of them cannot afford.

It seems to me we should put ideologies and politics aside and try to do something good for the seniors of our country and lay those differences aside to the extent that we can actually pass a bill. It is a good bill. It is a very good bill in terms of providing the benefits. It is costly, but with the reforms in Medicare that are included within it, I think over time we will be able to afford these costs. After all, it is a commitment that we should be satisfying for our seniors.

I urge my colleagues, when the time comes early next week, to lay aside partisan differences, to support the tripartisan bill, the only bill that has a chance of succeeding here, and move on with the political process so we can work with the House of Representatives, pass it on to the President, who I am quite sure will sign it, and begin providing a prescription drug benefit to our seniors.

Going all the way back to when Medicare was created, we treated people differently. Today we know medications are the primary method of treatment. We have to recognize that here in the Senate, something that all seniors understand very well. Let's recognize the reality, let's provide this drug benefit and really keep faith with the seniors we represent.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. LINCOLN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. JOHNSON). Without objection, it is so ordered.

PRESCRIPTION DRUGS

Mrs. LINCOLN. Mr. President, in all the rhetoric and grandstanding about who has the best prescription drug plan, I truly do not want us to forget who we are trying to help.

I cannot possibly forget the 436,000 Medicare beneficiaries in Arkansas who struggle every single day to pay for the prescription drugs to control blood pressure, their heart, and help them cope with chronic diseases.

Yes, some seniors are eligible for Medicaid. Some have Medigap. But most of them fall through the cracks. In Arkansas, we don't have the tools that other States might have to help our seniors pay for their prescription drugs. Medicare+Choice has left our State. Medigap plans cost a lot more than the national average—almost 20 percent higher, to be exact, a year.

Employer-sponsored retiree health plans are extremely rare. On top of that, 60 percent of our seniors live in rural areas. So how do our seniors afford their prescription drugs, which rise in cost absolutely every year? The sad fact is, they don't.

The best way to combat this problem is add a prescription drug benefit to the Medicare Program. That is why I am so disappointed that neither of the Medicare prescription drug plans we will consider this next week seem to have the 60 votes they need to pass.

I am disappointed we are at a standstill in the Senate, and I am disappointed we have been unable to forge a compromise in the Senate Finance Committee. As a member of that committee, I would prefer to be debating these plans in that committee. However, I understand that the urgency of the issue and the timing of the Senate schedule has brought us here today.

In years past, I have been a cosponsor of Senator BOB GRAHAM's Medicare prescription drug bill. My colleague from Florida has invested a tremendous amount of time and effort in designing a benefit that senior citizens desire. And he has done well. My constituents have told me how much they like the benefit package and the extra assistance for low-income beneficiaries. They like that the premium will be guaranteed at $25 a month and will not vary State by State or region by region. This is good because in States such as Arkansas, we usually—almost always—get the short end of the stick when that happens. They like that the benefit is stable and universal and that it does not have a gap in coverage and is straightforward and simple.

Although I favor this plan, I did not cosponsor the bill this year in the hopes that I could help my colleagues on the Finance Committee forge a compromise that would work for seniors and that would have enough votes to pass the Senate. Unfortunately, that effort seems to have failed. I commend my chairman, Senator BAUCUS, for his efforts to try to shape a compromise between these two competing plans that we have before us today.

I also thank my friend from Louisiana, Senator JOHN BREAUX. Senator BREAUX, through serving on the National Bipartisan Commission on the Future of Medicare in 1997 and shaping the debate in Congress, has played a leading role in the national effort to improve the Medicare Program.

I appreciate the many meetings we have had on this issue and hope we have the ability to continue to work in that bipartisan fashion, working to forge compromises as we move forward on the Senate floor, as well as in conference.

I also want to recognize the tremendous amount of staff work that has been done, particularly and especially by my staff, Elizabeth MacDonald, all of the staff on the Finance Committee, as well as the Members who have had plans.

However, despite the changes Senator BREAUX, Senator GRASSLEY, and others have made to the tripartisan bill, I believe the bill still fails to offer an acceptable model to deliver prescription drugs to seniors in rural States such as Arkansas.

I cannot in good conscience vote for a plan that relies on the untried, untested delivery system laid out in the tripartisan plan. The private insurer model will require significant taxpayer subsidies to attract insurers into a drug-only insurance market, something we have never tried before. The insurance companies have told me they are hesitant to assume the risk for this type of plan unless they are heavily subsidized, and I do not think this is a proper use of our taxpayers' dollars. Nor can I support a plan that does not entitle seniors to any particular drug benefit but, rather, only a suggested benefit.

Consider for a moment the story of Mrs. Mildred Owens of Havana, AR. Mildred is 70 years old, and she worked for 35 years before retiring 5 years ago. Now widowed, Mildred receives about $830 a month in Social Security and about $125 a month in retirement.

Mildred takes prescription drugs which cost about $200 a month. After paying her Medicare premium and drug expenses, she has spent well over 27 percent of her income. She said that she and her two sisters, Evalee and Betty, who each make about $600 a month, do not even go to the doctor anymore because they cannot even afford the prescription drugs the doctor would prescribe. Sometimes Mildred and her sisters must rely on their children to help pay for some of their medications.

If the tripartisan plan were law and if Mildred and her sisters asked me what their monthly premium was going to be and what their benefits would be for prescription drug coverage under Medicare, I would have to say to them, actually, I do not know; I cannot give you a specific; we will have to wait and see what actually happens in our area. Mildred may, in fact, end up paying a different premium for prescription drugs than her friends pay in California or Florida or New York or other States. Yet they both paid taxes into Medicare all of their lives and therefore should be entitled to the same Medicare benefit.

The point is, we do not know yet what private plans might offer in different regions of the country. We do not know what their benefits would be. We do not know if private plans would want to participate. We do not know how much they would charge for it. And there is absolutely no guarantee that seniors would be able to depend on the same plan or benefit structure from year to year. These are just too many unknowns, and for seniors, nothing is more frightening than the unknown.

Why do we want to force our parents and grandparents into an untested delivery system that is unlike any other system in American health care as we know it?

Why should seniors in rural Arkansas, who are older and sicker and more likely to use prescription drugs, be in the dark about what their premiums will be until the Federal Government entices the private insurers to compete in their area of the country?

Why should we risk forcing them to pay higher premiums than those in urban areas?

Show me where it has worked. I ask my colleagues: Show me a study, show me a demonstration project. If the sponsors of the tripartisan plan are so confident that their delivery model will work, then I propose a compromise that could garner the 60 votes needed to pass a Medicare prescription drug plan.

Let's put a demonstration project in the home State of the bill's chief architects and use the Graham delivery model in Arkansas and the rest of the country so that we can be assured of what we are going to get until we know what works. Let's see if this untested delivery model works in a few States before we take it nationwide and put everyone at risk.

Why subject our seniors to a vast social experiment? Why should we subsidize private insurance companies when we should instead empower our seniors with the ability to afford the prescription drugs they need?

I am also concerned that the tripartisan bill has a gap in coverage, albeit a much smaller one than originally proposed. How can I tell seniors in my State that they will not receive any coverage for their drug costs between $3,451 and $5,300?

Although the tripartisan plan says it only contains a gap of $250, in reality it is actually a gap of $1,850 because the first threshold includes the combined expenditures of seniors and the Government, while the second only refers to the senior's out-of-pocket expenses.

How can I explain to Mildred Owens that no other American but Medicare beneficiaries will have this gap in coverage? Members of Congress and Federal employees do not face a gap in prescription drug coverage, nor do non-Federal retirees or employees. This gap in coverage for seniors who use more prescription drugs than any other population group in our country is not only unfair, it is simply unreasonable.

Further, this gap in coverage is opposed by the AARP, which counts about 350,000 Arkansans in their nationwide membership. AARP has surveyed their membership on the value of a prescription drug benefit and has identified five characteristics that any prescription drug benefit must include in order to attract the enrollees it needs. One of those characteristics is a benefit that does not expose beneficiaries to a gap in insurance coverage.

Mr. President, I ask unanimous consent to print a letter from the Arkansas AARP State chapter in the RECORD that shows how the tripartisan bill fails to meet the kitchen-table test that their Members will likely use when determining if the drug benefit is a good buy.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AARP,
Washington, DC, July 12, 2002.

Hon. BLANCHE L. LINCOLN,
U.S. Senate,
Washington, DC.

DEAR SENATOR LINCOLN: Medicare beneficiaries cannot wait any longer for protection against the increasing cost of prescription drugs. The 439,000 Medicare beneficiaries in Arkansas need an affordable prescription drug benefit enacted into law this year.

Currently, about 13 million Medicare beneficiaries nationwide lack prescription drug coverage for the entire year and about 16 million lack coverage for some point during the year. State pharmacy assistance programs often provide some prescription drug benefits to low to moderate-income beneficiaries. However, as you know, Arkansas does not even have such a program to help meet the needs of low-income beneficiaries in the state.

The prescription drug legislation recently passed by the House of Representatives begins to move the Medicare program one step closer to providing millions of older Americans and people with disabilities with some help against the rising costs of prescription drugs. But more needs to be done.

We know from our membership that they will assess the value of a prescription drug benefit by adding up the premium, coinsurance and deductible to determine if it is a good buy. We believe that in order for a voluntary Medicare prescription drug benefit to pass this ''kitchen table test'' and attract enough enrollee it should:

Provide an affordable benefit as a permanent part of Medicare's benefit package;

Keep the monthly premium to no more than $35;

Ensure reasonable and stable cost-sharing for beneficiaries;

Ensure that there are no gaps in coverage that leave beneficiaries vulnerable;

Be voluntary and available to all beneficiaries no matter where they live;

Help to bring down the soaring costs of prescription drugs; and

Protect low-income beneficiaries.

It is critical that the Senate pass a Medicare prescription drug bill this month that meets these goals. The 205,000 AARP households in Arkansas are counting on your support for a prescription drug benefit at least as good as the Graham-Miller proposal.

If you have any questions please call one of us or have your staff call David Certner, Director of our Federal Affairs Department, at (202) 434–3750.

Sincerely,

WILLIAM D. NOVELLI,
Executive Director and CEO.
CECIL MALONE,
AARP Arkansas State President.
MARIA REYNOLDS-DIAZ,
AARP Arkansas State Director.

Mrs. LINCOLN. Mr. President, I am also hopeful that a compromise on the Medicare prescription drug benefit is imminent. I am ever optimistic that we can all agree on a good basic solution at the end of the day. We must not fall into the trap of all talk and no action once again. For the almost 4 years I have served in the Senate, I have continually gone home to my State of Arkansas, talked to seniors across our great State, and assured them that the Senate would act on a prescription drug package.

I can no longer in good faith continue to simply talk about the benefit that is so needed. Our parents and our grandparents are depending on us. It would be a national tragedy to let them all down.

We have talked and talked about it for years. Let us act this year and in this session. Let us not adjourn until we pass a Medicare prescription drug benefit that is meaningful and affordable for all seniors across this great country, no matter where they live.

ADDITIONAL STATEMENTS

FIFTIETH ANNIVERSARY OF THE ESTONIAN AMERICAN NATIONAL COUNCIL

● Ms. MIKULSKI. Mr. President, today I pay tribute to the 50th anniversary of the Estonian American National Council. On July 19, 1952, Estonian Americans founded this Council to preserve