

So our hope is to continue to push with regard to all of the conferences. We named a number of them earlier. We hope to have them come to the floor over the next several weeks as we complete our work.

Mr. SANDLIN. Certainly we hope since we are working a little bit later, we can consider Medicare prescription drug legislation and the child tax credit. That is, of course, very important.

Does the gentleman expect that we could move forward and go to conference on the Labor-HHS-Education bill sometime next week? Since we do have additional time, would that be a priority?

Mr. PORTMAN. It certainly would be a priority. It is my understanding that the Senate formally requested a conference just last night on what is the second largest now of our 13 appropriations bills. It is certainly a very important bill for us to be able to complete on an independent basis and that is our goal. We cannot commit to a day next week when we would consider a motion to go to conference, but I think it is very likely it could happen next week.

Mr. SANDLIN. The House earlier today was supposed to consider a rule to send the FAA conference report back to conference. When the conferees reconvene, would the gentleman expect them to work in a truly cooperative manner and accept the will of both Houses of Congress with regard to halting the privatization of air traffic control towers as has been debated here on the floor?

Mr. PORTMAN. It is our understanding that Members of that conference from both sides of the aisle and both sides of the Capitol have indicated that a couple of relatively small changes are necessary to get that bill into position where both the House and the Senate can pass the conference report. That is what we are working toward. Those grant programs administered by FAA expire, as the gentleman knows, at the end of the month. I know that the chairman of the Committee on Transportation and Infrastructure and so many other Members in this Chamber would like to get this bill to the President for signature as soon as possible.

Mr. SANDLIN. Mr. Speaker, I thank the gentleman from Ohio for his information and cooperation today and would ask that the gentleman and/or the leadership of the majority let us know just as quickly as possible tomorrow about the scheduling, so that our Members can make their scheduling for their transportation, and also let us know if there is any possibility of the Medicare prescription drug bill or tax credit bill or FAA bill or any of that coming up next week.

ADJOURNMENT TO MONDAY, SEPTEMBER 29, 2003; AND ADJOURNMENT FROM MONDAY, SEPTEMBER 29, 2003 TO TUESDAY, SEPTEMBER 30, 2003

Mr. PORTMAN. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next; and further, that when the House adjourns on that day, it adjourn to meet at 12:30 p.m. on Tuesday, September 30, for morning hour debates.

The SPEAKER pro tempore (Mr. SIMPSON). Is there objection to the request of the gentleman from Ohio?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. PORTMAN. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MOTION TO INSTRUCT CONFEREES ON H.R. 1, MEDICARE PRESCRIPTION DRUG AND MODERNIZATION ACT OF 2003

Mr. SANDLIN. Mr. Speaker, I offer a motion to instruct.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. SANDLIN moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 1 be instructed as follows:

(1) The House recede to the Senate on the provisions to guarantee access to prescription drug coverage under section 1860D-13(e) of the Social Security Act, as added by section 101(a) of the Senate amendment.

(2) To reject the provisions of section 501 of the House bill.

(3) The House recede to the Senate on the following provisions of the Senate amendment to improve rural health care:

(A) Section 403 (relating to inpatient hospital adjustment for low volume hospitals).

(B) Section 404 (relating to medicare disproportionate share adjustment for rural areas), but with the effective date applicable under section 401(b) of the House bill.

(C) Section 404A (relating to MedPAC report on medicare disproportionate share hospital adjustment payments).

(D) The following provisions of section 405 (relating to critical access hospital improvements):

(i) Subsection (a), but with the effective date applicable under section 405(f)(4) of the House bill.

(ii) Subsection (b), but with the effective date applicable under section 405(c)(2) of the House bill.

(iii) Subsections (e), (f), and (g).

(E) Section 414 (relating to rural community hospital demonstration program).

(F) Section 415 (relating to critical access hospital improvement demonstration program).

(G) Section 417 (relating to treatment of certain entities for purposes of payment under the medicare program).

(H) Section 420 (relating to conforming changes relating to Federally qualified health centers).

(I) Section 420A (relating to increase for hospitals with disproportionate indigent care revenues).

(J) Section 421 (relating to establishment of floor on geographic adjustments of payments for physicians' services).

(K) Section 425 (relating to temporary increase for ground ambulance services), but with the effective date applicable under the amendment made by section 410(2) of the House bill.

(L) Section 426 (relating to appropriate coverage of air ambulance services under ambulance fee schedule).

(M) Section 427 (relating to treatment of certain clinical diagnostic laboratory tests furnished by a sole community hospital).

(N) Section 428 (relating to improvement in rural health clinic reimbursement).

(O) Section 444 (relating to GAO study of geographic differences in payments for physicians' services).

(P) Section 450C (relating to authorization of reimbursement for all medicare part B services furnished by Indian hospitals and clinics).

(Q) Section 452 (relating to limitation on reduction in area wage adjustment factors under the prospective payment system for home health services).

(R) Section 455 (relating to MedPAC study on medicare payments and efficiencies in the health care system).

(S) Section 459 (relating to increase in medicare payment for certain home health services).

(T) Section 601 (Increase in medicaid DSH allotments for fiscal years 2004 and 2005).

(4) The House insist upon the following provisions of the House bill:

(A) Section 402 (relating to immediate establishment of uniform standardized amount in rural and small urban areas).

(B) Section 403 (relating to establishment of essential rural hospital classification).

(C) Subsections (a), (b), (d), and (e) of section 405 (relating to improvements to critical access hospital program).

(D) Section 416 (relating to revision of labor-related share of hospital inpatient pps wage index).

(E) Section 417 (relating to medicare incentive payment program improvements).

(F) Section 504 (relating to wage index classification reform).

(G) Section 601 (relating to revision of updates for physician services).

(H) Section 1001 (relating to medicaid disproportionate share hospital (DSH) payments).

Mr. SANDLIN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. Under clause 7 of rule XXII, the gentleman from Texas (Mr. SANDLIN) and the gentleman from Michigan (Mr. CAMP) each will control 30 minutes.

The Chair recognizes the gentleman from Texas (Mr. SANDLIN).

Mr. SANDLIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the way this bill currently stands is nothing more than a

misrepresentation and a bait and switch. The leadership has used smoke and mirrors to trick our seniors into thinking that they are getting a Medicare prescription drug plan and into thinking that our hospitals will be adequately reimbursed while, in reality, we are forcing our seniors to seek medication from private insurance companies and HMOs that will set the price and set the benefits and we are taking money away from our hospitals.

Mr. Speaker, I rise to offer this motion to instruct the conferees on H.R. 1, the Medicare Prescription Drug and Modernization Act of 2003 and ask to remember our Nation's 9.3 million rural Medicare beneficiaries as they continue their critical deliberations. The legislation that I speak of today, as I mentioned, is much more than simply a drug bill, it is a testament to our commitment to quality-of-life issues for our Nation's seniors in our communities. Modern health care today requires a comprehensive system that depends on access to needed prescription drugs, certainly. It depends on physician care and hospital treatment. All of those needs must be addressed. When access is denied, treatment fails and people suffer. As H.R. 1 stands today, our rural communities all across Texas and all across the Nation will suffer.

Everyone here knows that our Nation's rural hospitals are desperately in need of assistance. Over the past 25 years, Mr. Speaker, more than 470 hospitals across America have closed. That is unacceptable. That impacts primarily rural America. This is very devastating for rural citizens. Due to the fact that rural seniors have a lack of access to preventive care, that causes them to have higher incidences of chronic illnesses like heart disease, arthritis and things of that nature. Medicare is a significant source of payment for rural health care providers because of the higher proportion of seniors in rural areas. We must provide the strongest reimbursement aid possible by taking the best of the House and the best of the Senate bills. The House bill's rural assistance provisions contradict each other by offering funding through one avenue and slashing it through the market basket. This measure, as proposed by the House, denies hospitals \$12 billion of desperately needed assistance, nearly \$9 billion of which would go to rural hospitals, the hospitals with the most challenge. In my home State of Texas, over \$420 million will be lost. That is all in the name of fiscal responsibility. That is a false savings, Mr. Speaker, and it is a savings that endangers the lives of Americans, especially in rural America. This cost-saving measure certainly will not save hospitals but it will cost them and their patients dearly.

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How much do we as a Congress expect our hospitals to endure? Our rural hospitals are barely scraping by on what

Medicare and Medicaid already paid. In the name of patient safety, we ordered them to comply with Federal mandate after Federal mandate from EMTALA to HIPAA but then failed to grant the funding to ensure quality of care is provided. Let me tell the Members here no one will expect care to be provided if these hospitals close. It just will not be availability, and with that elimination of care will follow a massive elimination of jobs critical to our local economies and endangering our local families.

Rural seniors in hospitals are getting a raw deal here, Mr. Speaker. We all know that. They are not looking for anything extra. They are just looking for something equitable, something fair. Join with me and do at least that much today for our hospitals, for our doctors, and for our rural patients in rural communities.

Mr. Speaker, I reserve the balance of my time.

Mr. CAMP. Mr. Speaker, I yield myself such time as I may consume.

The Sandlin motion to instruct conferees is essentially the same as the last two motions to instruct that have been defeated by the House of Representatives. This motion, like the others, asks us to accept the Senate's position of a government-run prescription delivery drug system and structure. It would provide unprecedented and unnecessary inflationary increases to providers and would undo the bicameral decisions that the conferees have already resolved. Roughly a third of the bill in question, H.R. 1, has been resolved by the Medicare conference. This motion would reopen those issues that have already been resolved in a bipartisan, bicameral fashion. This is the third Congress that has attempted to enact a prescription drug benefit in Medicare, and this motion would ensure that a prescription drug Medicare bill never reaches the President's desk; and I urge a defeat of this motion.

Mr. Speaker, I reserve the balance of my time.

Mr. SANDLIN. Mr. Speaker, I appreciate the gentleman's comments. I yield such time as he may consume to the gentleman from Texas (Mr. LAMPSON).

Mr. LAMPSON. Mr. Speaker, I thank the gentleman from Texas for yielding me this time.

It is nice to be able to join on an issue as important as this and one that does not deal with redistricting in Texas.

I do rise today in support of the Sandlin motion to instruct on Medicare prescription drugs. This motion carries with it the efficacy of protecting seniors and health care providers in rural areas. It was not too many years before I came up here to Congress that I was serving on a board called the Area Agency on Aging. It was a board where we spent a great deal of our effort with senior citizens and the needs that they had. Ultimately, they selected me to be a dele-

gate to the 1995 White House Conference on Aging, and the goals that came from that meeting of several thousand people gathered across the country had to do with allowing seniors to live in independence and dignity, to make sure they continued to have access to the programs that made such a significant difference in their lives, Medicare and Social Security. Since Medicare was enacted in 1965, it has truly provided health care security to millions of America's seniors and people with disabilities.

Medicare is the binding commitment of a society to our most vulnerable citizens and a commitment that America must always keep. One segment of society that is neglected time and time again in Washington is seniors living in rural communities, and I come here today to tell the conferees that we have a real commitment to rural seniors.

Mr. Speaker, I represent a fairly diverse district. It consists both of urban and rural areas, and therefore I have witnessed the degradation of care for my constituents living in these rural years. This Congress has a responsibility to represent all people throughout the country and to provide guaranteed prescription coverage through a Medicare fallback option in areas where private drug plans are not available. We must ensure that cuts in payments to hospitals that were included in the majority-offered House bill which adversely affect hospitals in rural areas are not included in the conference report. These cuts will serve to further undermine the ability of rural hospitals and health care providers to ensure that adequate coverage is offered in rural areas.

I cannot in good conscience allow this House to send to the conference committee a bill which would leave our Nation's rural areas in continued peril. I have pledged with my colleagues to work to provide adequate health care to all Americans; and, frankly, this bill as it currently exists imperils citizens living in rural areas.

HMOs and other private health plans have had a very poor record of serving seniors living in rural areas. Indeed, according to the government's own advisory board, the Medicare Payment Advisory Commission, only 19 percent of rural Medicare beneficiaries have the option of enrolling in a Medicare managed care plan in 2003. How can we as a Congress participate in passing such a broad and affecting piece of legislation without ensuring that the disparity between rural and urban areas is abolished?

So the Sandlin motion to instruct will help to ensure that we do not leave our rural citizens behind. I support this motion to instruct, and I call on my colleagues here to join us and do exactly the same thing.

Mr. CAMP. Mr. Speaker, I reserve the balance of my time.

Mr. SANDLIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, one of the key problems with the House GOP Medicare prescription bill is it fails to meet the needs of the one-fourth of Medicare beneficiaries who live in rural areas. And someone who knows that very well is the gentleman from Texas (Mr. STENHOLM), my good friend and colleague and a real champion of health care, especially out in west Texas, and a very respected Member of the House.

Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I thank the gentleman from Texas for yielding me this time, and I thank him for bringing again this motion to instruct to the floor of the House.

Some of our colleagues are asking why do this again. Listen carefully to the rationale and the reasons of why we are doing it again. It is critical to rural districts all over the United States. This is a matter of life and death for 27 hospitals in my district. The issue is fairness, and this is the third time that I have had to correct my friends on the other side of the aisle for the red-herring approach that they are talking about. No one is advocating a government-run program unless by that they are suggesting that they are not in favor of continuing Medicare. If they are in favor of letting Medicare go, then they are correct; but I do not think the majority of the House is talking about that.

Certainty we are not. And when they talk about budget issues, make it very clear, we are proposing to live within the budgeted amount of \$400 billion and not one penny more, period. But what we are saying is that when we are looking at rural hospitals in particular, there are some issues that the conferees need to listen to, and yes, one can make the argument this is procedural, and I understand that, but when that conference bill comes back on the floor and we are going to have to vote on this issue, I am asking my colleagues, for example, in Kansas 1, 37 hospitals will lose \$21,682,000; Georgia 11, six hospitals, \$17 million; Texas 19, 18 hospitals, \$39 million; Texas 23, 11 hospitals, \$11 million; Indiana 8, 13 hospitals, \$28 million; North Carolina 8, 12 hospitals, \$43 million; Minnesota 1, 15 hospitals, \$45 million.

I can go on and on on this list. This is money that would not be coming if the conferees come back and say market basket is not applicable. And one can say, yes, this is a cut from a rate of increase; but that is precisely what we are talking about in rural areas. We have been cut and cut and cut to the point we cannot take any more, and we have got to have some rationale and reasoning, some logic, now in saying to rural areas, you must be treated fairly; and that is what the best of both the House and the Senate bill does.

We are arguing about a philosophical direction, and with all due respect, I do not agree with the direction that the majority wish to take the conference,

and I think a majority of this body does not. I really do. That is why we will continue to come on this floor and suggest to our colleagues who continue to vote against this motion to instruct, take a good look, listen to their hospitals back home, listen to what is being proposed and see how they will vote when that conference committee completes its work and brings it back to the floor of the House.

And everyone now I hope understands that the conference is in trouble because we have some irreconcilable forces. It is kind of like the Texas re-districting plan. We have got some folks not willing to give. And when we have that, then we run the risk of doing nothing, and no one wants to come out of this Congress by doing nothing. We have a tremendous need of dealing with the cost of medicine, and there are ways that we can do some great things to reducing the amount of cost of health care to our senior citizens and to others, middle-income America. But pay particular attention, and this is done for the benefit of our colleagues, the conferees having to recognize that we have got to come to an agreement with the Senate or otherwise nothing will happen.

Again, I repeat, this is not a budget issue. We are just saying we have a recommendation to the conferees of how they spend the money. We are not talking about spending any more. And if you believe your hospitals can do with less, continue to vote as you have been voting. Do not instruct the conferees. But you had better start talking to them because if the conferees insist on doing it the way they insist on doing it, we risk the whole bill; and nobody wants to see that done.

Mr. CAMP. Mr. Speaker, I yield myself such time as I may consume.

Let me just say, Mr. Speaker, that under the Senate approach to the Medicare prescription drug bill, one third of the beneficiaries will be in a full government run fallback plan; and if the government is at risk, the plan will have little incentive to control costs and would simply process claims. And that is why the nonpartisan Congressional Budget Office has estimated that the Senate provisions would lead to higher prices for beneficiaries and taxpayers and result in over \$8 billion in higher costs; and this would, I think, be an unacceptable giveaway. The Congressional Budget Office, CBO, also estimates fewer plans and therefore fewer choices for seniors under the Senate proposal, and that would be because the full-risk plans would be hesitant to compete against the government contractors.

And let me just say that the market basket adjustment is just a part of the picture in terms of what is being done for providers in rural America; and when we add in together the market basket update, the standardized amounts, the labor share, the Medicare disproportionate-share payment, we are seeing increases over current law in

rural areas; and most of those numbers do not include the increases for critical access hospitals which are an important part of health care providing in rural America.

So I would still urge my colleagues to defeat this motion to instruct. We have a good process moving, and let us keep the process going forward.

Mr. Speaker, I reserve the balance of my time.

Mr. SANDLIN. Mr. Speaker, I yield such time as he may consume to the gentleman from the State of Tennessee (Mr. TANNER), a member of the Committee on Ways and Means.

Mr. TANNER. Mr. Speaker, the \$12 billion that CBO says the House bill cuts from hospitals, \$9 billion of that comes from hospitals serving rural communities. As I said the other day when we were talking about this approach, all the medical technology in the world is of no use to me or anyone else if it is not accessible. Over 47 percent of the 134 acute care hospitals in Tennessee are losing money. A lot of these hospitals are in rural areas that simply will not be able to remain open with the market basket reduction, with the way this bill is drafted, and with the demands that are being placed on them. Literally, if one believes that accessibility to medical technology is as important as the technology itself, and I cannot imagine anybody who would argue that it is not, if they cannot get to a doctor or a hospital with a heart attack in time, they are going to die. So it really does not make sense to say this medical technology is important in and of itself. There also has to be this accessibility issue to be addressed, and this bill is not addressing this accessibility issue.

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That is why this motion to instruct is important.

But even if you do not believe that accessibility is a real goal that we ought to strive for in America, you have got the equity argument that the gentleman from Texas (Mr. STENHOLM) made. Even if you say we know it may not be fair, but that is just the way it is, what about all of the jobs that are going to be lost, jobs of dedicated medical professionals that want to help people in rural America? They live there voluntarily, they devote their productive years to curing and helping people who are sick, and they go out the window as well when these hospitals close.

I would just implore the House to look at the system of health care delivery in our country and realize that this approach that the majority is taking is shortchanging hospitals, rural hospitals, and, more importantly, sick people all across this country, but particularly in rural areas, and is that the kind of country we want to have? Is that the kind of country we can be proud of? I think not.

Mr. Speaker, I would urge that this motion to instruct be approved whenever we have a vote on it.

Mr. CAMP. Mr. Speaker, I reserve the balance of my time.

Mr. SANDLIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas (Mr. ROSS), one of the people that really has a good knowledge in the Congress about the issue of prescription drugs due to the fact that he owns a pharmacy.

Mr. ROSS. Mr. Speaker, I thank the gentleman for yielding me time and for offering up this motion to instruct conferees on the Medicare prescription drug bill.

Mr. Speaker, let me tell you that, as the owner of a small-town family pharmacy, one of the things that I see way too often is seniors who walk through the doors of our pharmacy who cannot afford their medicine or who cannot afford to take it properly.

I live in a small town, a town that lost its hospital back in 1995. Our folks now go 16 miles down the road to the hospital in Hope, Arkansas. Living in a small town, I see so many seniors that end up 16 miles down the road in the hospital running up a \$25,000 or \$50,000 Medicare bill, or requiring \$250,000 worth of kidney dialysis, or having a \$50,000 leg amputation, simply because they cannot afford their medicine or cannot afford to take it properly. This is America, and we can do better than that by our seniors, America's greatest generation.

There has been a lot of talk in Washington about trying to help our seniors with the high cost of prescription drugs, but that is all we have seen and that is all we have gotten, has been a lot of talk.

When I came to Congress in 2001, I thought if there was one issue that would not be partisan, that would not divide us, but, rather, would be a senior issue, this is not about Democrats or Republicans, or at least it ought not be, it ought to be about our seniors, and I thought if there was one issue that could bring us together, it would be to do right by our seniors. But, instead, what we have had offered up by the Republican leadership is a false hope and a false promise, nothing more than Medicare fraud for our seniors.

There are several problems with this so-called Medicare prescription drug bill. Number one, the fund that they want to cut funding for to fund the prescription drug coverage for our seniors, the Republicans want to cut funding to rural hospitals to the tune of \$12 billion. We have lost 470 rural hospitals in America in the last 25 years. As I mentioned earlier, we lost the hospital in my hometown of Prescott, Arkansas, in 1995, and I can tell you that is something I do not wish on anyone. It is wrong to try and fund this Medicare prescription drug benefit by shutting down rural hospitals.

Another problem with the bill is this bill is supposed to be about helping our seniors. The problem is, it is not a seniors' bill, it is a bill that has been written by the big drug manufacturers.

The drug manufacturers have more lobbyists in Washington, D.C., than we

have Members of Congress in the House and Senate combined, and their fingerprints are all over this bill. The Republican leadership had the nerve to put language in this bill that says that the Federal Government shall be prohibited from negotiating with the big drug manufacturers to bring down the high cost of medicine. That is in the bill.

Another problem with the bill is privatizing the Medicare prescription drug benefit. There is a very good reason why they want to do this. You hear about how drugs are cheaper in other countries. They are. It is because America is the only industrialized nation in the world where people go without health insurance. That does not happen anywhere else in the industrialized world.

There 41 million people in America without health insurance today; 8.5 million are children. Who are the rest of them? It is not the folks that do not want to work. If you do not want to work, you get on welfare and you get Medicaid.

We are talking about the people that are trying to do right and stay off welfare, that are working the jobs with no benefits. But in other countries that does not happen. In other countries the government says to the big drug companies, you give us a discount if you want your drug in our country, and they do.

I did a survey, Mr. Speaker, about a year ago, where I compared the price paid by seniors in my Congressional District in Arkansas on the five most commonly used brand name drugs with the price paid by seniors in seven other countries. Guess what? Seniors in my district in Arkansas pay, on average, 110 percent more than seniors pay in these seven other countries.

So the drug manufacturers want to privatize this, because they know if we have 40 million seniors under one plan, we, too, will demand these kinds of discounts and rebates to help offset the costs of the program. So they want to privatize it and have 100 different insurance companies knocking on your momma's door, calling her on the phone, sending her mail, all trying to sell her exactly the same policy.

Finally, the biggest problem with the bill is the benefit itself. There is all this talk in Washington about helping our seniors with the high cost of prescription drugs. What does the plan do?

Well, from day one you have got to pay at least a \$35 monthly premium, although no one can tell us exactly how much it will be. Then you will have a \$250 deductible. Then from \$250 to \$2,000, Medicare will kick in at 80 percent of the cost of its medicine. That part sounds pretty good. But when you get to \$2,000, you have got to continue to pay the \$35 monthly premium. But, guess what? The senior is back being forced to foot the entire bill from \$2,000 up to \$3,500. Pay the premium, but get no help.

If seniors cannot afford the first \$2,000 worth of medicine, tell me, how

in the world they are going to afford the next \$1,500?

When you do the math on this, here is what it comes out to. All this talk boils down to this. On the first \$3,500 worth of medicine that seniors need each year, Medicare is going to help them with \$900 of it. Seniors are still going to get stuck trying to pay \$2,600 of the first \$3,500 worth of medicine. When you take the formula, and you almost need a CPA to figure it out, and you factor in the premium, that is what it amounts to.

Tell me this, \$900 worth of help on a \$3,500 drug bill, I do not know about where you come from, but I can tell you, where I come from, that is not going to help my struggling seniors to choose between their medicine and their groceries and their rent and their light bill.

I am not going to rest until seniors can walk into the pharmacy of their choice, pull out their Medicare card and be treated like they are when they go to the doctor and to the hospital. I will continue to fight, and that is exactly what we are doing in this motion to instruct conferees on the Medicare prescription drug bill. I am going to continue to fight until we get a plan that is voluntary, but guaranteed, and made available to all seniors who have no help today, while protecting those seniors who have help. I want to make sure that this bill that passes this Congress will not shut down another rural hospital.

Mr. CAMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is the third Congress where we have attempted to pass a prescription drug bill. The bill that is in conference now passed this House with a bipartisan vote. Finally, the other body has acted and also has passed a prescription drug bill. That is why we are in this meeting called a conference, to resolve the differences between the two.

We have made tremendous bipartisan progress in that conference. One-third of the bill, approximately, has been agreed to. This is the third time this motion has been brought to try to divert time and attention away from the progress that has been made in conference.

I think that if we are serious about trying to enact a prescription drug benefit this year, if we are serious about getting a bill to the President's desk, I think it would be important not to support this motion. This would literally stop all of the progress that has been made, not only in a bipartisan way between Republicans and Democrats, but also between the House and Senate. As I say, this has been the third Congress where we are very close. One-third of the bill has been decided, great progress has been made. Let us let that progress continue. Vote no on this motion.

Mr. Speaker, I reserve the balance of my time.

Mr. SANDLIN. Mr. Speaker, I yield 4 minutes to my good friend the gentleman from Washington (Mr. McDERMOTT).

Mr. McDERMOTT. Mr. Speaker, I want to thank my colleague from Texas for yielding me time.

I am here to say you do not have to have a drawl to have this problem in your State. There are 50 States where this is a problem. I was walking across to my office building a minute ago, and I met a reporter from a major newspaper here in the East who said to me, "What is going on in the Medicare conference?" I said, "I do not know. They are talking." So he said, "Well, what do you hear?" I said, "We do not hear anything on the Democratic side. That is why we are out here every day trying to instruct those people."

I went to our Democratic House Member who is on that conference committee and said, "What is going on?" He said, "I do not know. They are not having any meetings where they are discussing anything."

Now, they have been telling us we are going to have this bill. But this morning I was in the gym, and as I came out of the gym, I met one of my Republican colleagues, and I said to him, "What does this drug thing look like? How does it look like it is coming?" He said, "Frankly, I hope it does not pass." I said, "Really? Why?" He said, "Well, when they hang that doughnut hole around our neck in the next election, we are going to be dead."

You just heard my colleague from Arkansas describe the doughnut hole. You have a \$3,500 bill, and you get \$900 in benefit, and you still have to pay a \$35 a month premium. It is a terrible bill, and the House bill is based on the fact that they hope that the insurance companies will put something together.

The reason we need the best of the Senate bill is at least they have a fallback position which would allow the Federal Government to set one up if the private sector cannot.

Now, the other thing my colleague pointed out and that needs to be emphasized, this is so privatized that the House of Representatives said that the United States Government, represented by the Secretary of the Department of Health and Human Services, Tommy Thompson, cannot negotiate lower prices on the basis of what is good for the American people. He is absolutely, by law, prohibited from doing what is best for the American people.

What kind of a plan is that? This is throwing the folks into the arms of the drug companies. They must have written every blessed word in it, including that line.

They did not want the Secretary of Health and Human Services to sit down on behalf of 40 million people, because they know what happened to them when the Secretary of Veterans Affairs sat down on behalf of the veterans, 5 million of them, and got a huge discount. They are afraid that Mr.

Thompson will negotiate something for them.

Now, we will hear, I am sure, something is going to pass this Congress, whether it is any good or not will be for the people to decide, because the Republicans know they cannot go home without something. It better be worth something, or else they are going to pay in the next election, because they have been promising, and they have no excuse. They have the Presidency, they have the Senate, they have the House, and if they cannot put a bill out that does what the people need, they need to pay for it at the ballot box. That is what is being set up.

We are instructing them the way to go if they want to do what is best for the American people. But if they want to do what is best for PhRMA and the drug companies, we will continue down this path, and no one will know, until one day a bill pops out here, 1,000 pages, and we vote on it, with nobody knowing what is in it.

□ 1345

That will be wrong, and the payment will come at the ballot box.

Mr. CAMP. Mr. Speaker, I yield myself such time as I may consume.

I appreciate the gentleman's comments and the anecdotal nature of them, but I do know that there was a 10 o'clock meeting this morning in Dirksen 215 to brief the staff on the progress that has been made on the Medicare bill and to go over issues and to discuss matters.

But this motion to instruct does not deal with the particulars of the prescription drug benefit, as has been discussed. It really only would provide for a government-run fallback in the plan. And both bills have prescription drug plans that assume some financial risk. The difference is they would ask the government to be the fallback on that, which would really then allow for very little incentive to control costs and would not really be the kind of benefit that would become available to seniors and be effective.

So, again, I would urge a rejection of this motion to instruct on that basis.

Mr. Speaker, I reserve the balance of my time.

Mr. SANDLIN. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. TURNER), ranking member on the Committee on Homeland Security.

Mr. TURNER of Texas. Mr. Speaker, I thank the gentleman from Texas, my colleague, for yielding me this time on what is a very, very important motion to instruct, and one that I would hope would be received favorably by our Republican colleagues, because there are provisions in this motion that I think are important to many of us, particularly those of us who come from rural areas.

When we look at what this bill looked like as it left the House, as my colleagues will recall, it only passed by one vote, and I think it took over an hour to get that one vote after a little

arm-twisting. So this bill clearly was one that did not sail out of this House, and I think that the provisions that are in it are important.

First of all, it is, I think, appropriate in this motion to ask that the very best provisions of both the House and the Senate bill on improving Medicare payments to health care providers in rural areas be in the final conference report, because many of us in rural areas have been hurt by some of the changes and cutbacks in Medicare funding. I have people come into my office all the time from my district who are administrators of hospitals, who tell us that they are having a hard time keeping the doors open and pleading with us to try to provide adequate reimbursement for Medicare services in our rural hospitals.

It is true that since 1998, 57 percent of the hospitals treating Medicare patients in this country have lost money, and that is only the beginning of the story. As we listen to the individual hospitals who come and talk to us, they tell us that they may be closing the doors if we do not do better in terms of Medicare reimbursements. So this is not a partisan issue; this is a bipartisan issue that particularly affects those of us in rural America. At a time when we are being called upon to spend billions of dollars to reconstruct Iraq, we do not need to be closing the doors of hospitals right here in America.

I also think the provision of the motion to reject any cuts that may affect a rural hospital is an appropriate and similarly arguable meritorious provision to have in this motion.

Finally, the guarantee that is in the Senate bill that there is a fallback to a Medicare prescription drug plan if there are not two plans offered by private companies in your area seems to only make common sense. After all, most seniors in this country are happy with Medicare; and they would be well pleased, as I have always been, in advocating a prescription drug benefit under regular Medicare. But because our Republican colleagues have insisted that we have a privatization of Medicare in order to get a prescription drug benefit, it seems only to make common sense that as we enter into that experiment, if that is the direction the Republicans choose to lead us, that we have some protection. After all, it is an experimental venture. In my area we had cutbacks in Medicare offerings by private companies.

So I think this motion should be well received by both sides of the aisle, and I hope it will be adopted.

Mr. CAMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Medicare, of course, with regard to hospitals and providers, reimburses, particularly hospitals, based on a system that on average allows them to make a profit under Medicare. We are advised in Congress by a nonpartisan group of panel experts called MEDPAC, or the Medicare Payment Advisory Commission. And this

bill, as passed the House, follows their recommendation and their advice to Congress, which they made unanimously, that Congress increase payments by 3 percent, which is what this legislation does. We will be spending billions and billions of dollars on Medicare. We are trying to do it in a responsible way that follows the advice of the nonpartisan experts that Congress has looked to in the past to help guide us in these matters.

So again, I would say that there will be a tremendous amount in this legislation for providers, particularly in rural areas. I represent a rural area in Michigan. And just to give Iowa as an example, they will ultimately receive a 5.5 percent increase in Medicare payments above what they would have received under current law. Again, that does not include the increases that they would receive for the 51 critical access hospitals in Iowa. So there will still be, I think, a significant help to make sure that there will be access to health care in rural areas. It is a critical issue, and this legislation provides for that.

Mr. Speaker, I yield back the balance of my time.

Mr. SANDLIN. Mr. Speaker, we have heard today about the problems in this bill. It is important that we stand up for hospitals, for seniors, and for rural America. For too long, America's rural hospitals have received Medicare funding far below the amount paid for the same service to their urban counterparts. Further, Medicare's base payment and DSH payments are less for rural hospitals and include an arbitrary cap. The results are very predictable. There has been an overall Medicare operating margin of negative 2.9 percent, and that has had a terrible impact on rural health care.

Let us stand up for our seniors. Let us stand up for rural hospitals. Let us make sure that we have a prescription drug plan that is guaranteed. We know the cost, we know what it covers, it is available, and that does not have a doughnut hole. Let us work together. I am urging my colleagues to support the motion to instruct conferees, because the instructions in this motion are the very ones that are not being worked out in a bipartisan way or in any way at all by the conference committee.

The SPEAKER pro tempore (Mr. SIMPSON). All time for debate has expired.

Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Texas (Mr. SANDLIN).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. SANDLIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

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MOTION TO INSTRUCT CONFEREES
ON H.R. 1308, TAX RELIEF, SIMPLIFICATION, AND EQUITY ACT
OF 2003

Mr. PALLONE. Mr. Speaker, I offer a motion to instruct.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. PALLONE moves that the manager on the part of the House in the conference on the disagreeing votes of the two Houses on the House amendment to the Senate amendment to H.R. 1308 be instructed as follows:

1. The House conferees shall be instructed to include in the conference report the provision of the Senate amendment (not included in the House amendment) that provides immediate payments to taxpayers receiving an additional credit by reason of the bill in the same manner as other taxpayers were entitled to immediate payments under the Jobs and Growth Tax Relief Reconciliation Act of 2003.

2. The House conferees shall be instructed to include in the conference report the provision of the Senate amendment (not included in the House amendment) that provides families of military personnel serving in Iraq, Afghanistan, and other combat zones a child credit based on the earnings of the individuals serving the combat zone.

3. The House conferees shall be instructed to include in the conference report all of the other provisions of the Senate amendment and shall not report back a conference report that includes additional tax benefits not offset by other provisions.

4. To the maximum extent possible within the scope of conference, the House conferees shall be instructed to include in the conference report other tax benefits for military personnel and the families of the astronauts who died in the Columbia disaster.

5. The House conferees shall, as soon as practicable after the adoption of this motion, meet in open session with the Senate conferees and the House conferees shall file a conference report consistent with the preceding provisions of this instruction, not later than the second legislative day after adoption of this motion.

Mr. PALLONE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER pro tempore. Under clause 7 of rule XXII, the gentleman from New Jersey (Mr. PALLONE) and the gentlewoman from Washington (Ms. DUNN) each will control 30 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I offer this motion to instruct conferees on H.R. 1308, the child tax credit bill. My motion makes five specific instructions of the House conferees.

Mr. Speaker, there would be no reason for us to address this issue tonight

had the Republicans not deliberately ignored the well-being of 12 million children in its latest tax law. The omission of a provision that would have extended a \$400 child tax credit to working families making \$10,000 to \$26,000 a year was neither an accident nor an oversight.

The provision, which had not been included in President Bush's initial \$726 billion proposal or the House Republicans' \$550 billion version, was added in the other body by Democratic Senator BLANCHE LINCOLN.

Now, why did this considerably small provision, \$3.5 billion out of a giant \$350 billion tax bill, make the Republicans chopping block? Well, anyone who has followed things around the House over the last couple of years unfortunately knows the answer to that question: this House, the people's House, under the Republican majority, has been turned over to the powerful and the privileged. Week in and week out, the Republican leadership neglects middle- and lower-income Americans.

Mr. Speaker, Republicans have a chance tonight to begin to rectify that image. First, my motion instructs the House conferees to include in the conference report a provision in the Senate bill that provides immediate payments to the 6.5 million working and military families who were initially left out of the Republicans' 2003 tax bill.

Mr. Speaker, House Democrats are fighting to immediately enact the bipartisan Senate-passed bill so we can help the 12 million children that Republicans left behind. Now, I think it is outrageous that it has been more than 3 months since the Senate overwhelmingly passed a measure, 94 to 2, to immediately give an increased child tax credit to the millions of children previously left out. If the House Republicans truly wanted to fix this injustice, they would have immediately approved the Senate measure. My motion simply instructs them to do just that, so that we can be fair to these working families and provide them the same benefits that many other Americans received this summer.

Mr. Speaker, the second part of my motion instructs the conferees to include in the conference report a provision included in the Senate bill that provides families of military personnel serving in Iraq, Afghanistan, and other combat zones a child credit based on the earnings of the individual serving in the combat zone. The House Republican bill contains bad news for the children of the 200,000 men and women serving in Iraq or other combat zones. The Republican bill leaves in place current law under which families will face tax increases because combat pay is not counted for purposes of the child tax credit.

Now, let me give an example of what I mean here. Let us take an E-5 Sergeant with 6 years of service and two children who is paid \$29,000 a year. Generally, both of his children would