water safe in this country. We have a $500 million cut in that area for the United States and a $3.5 billion investment in Iraq's, in water, drinking water. It is one of the great standards in which you decide whether a country is part of the developed world or developing world, and yet we are making a $3.5 billion investment in Iraq's water system and a $500 million cut here at home for America's drinking water.

It is a fascinating strategy. I have never thought of it. I think it takes unique insight to come up with those two conflicting strategies. Yet the one administration, two sets of taxpayers, two different investment strategies.

On top of that $3.5 billion, there is $153 million invested in Iraq for solid waste management treatment and $775 million for water resources improvement. The United States, we get cut in those programs. $875 million in Iraq for irrigation and wetlands restoration; $2.8 billion for safe drinking water programs. In the United States, we have had many of the programs dealing with our environmental protection cut.

That is not, both the drinking water and environmental protection, what I would consider a consistent and thoughtful strategy. The only place consistency exists is in Iraq and the investment in Iraq's future, not one here at home. That has been the strategy of this administration.

Would my colleague want to add?

Mr. DELAHUNT. No, because I think what my colleague has said is so informative. I think it reveals the flaws in not only the foreign policy but particularly in terms of the economic strategy of this particular White House.

There is another observation I would like to make because the reality is that the median income of the family of four in the United States is declining. If we continue along this path, we are in danger. We are in danger of creating a gap between those that have and those that do not have. While we are attempting to create a middle class in Iraq, because the middle class is absolutely essential for a democracy, we know that, we are seeing our own middle class shrink in the United States. The most recent statistic is that one percent of the American population is now earning 17 percent of our income.

MEDICARE PRESCRIPTION DRUG PLAN

The SPEAKER pro tempore (Mr. BONNER). Under the Speaker's announced policy of January 7, 2003, the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) is recognized for 60 minutes as the designee of the majority leader.

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise tonight to dispel the many myths that too many Democrats in this Chamber and Presidential candidate John Kerry have been spreading at the historic progress that this Republican Congress has made and that the President signed making finally the promise that was made to seniors on prescription drugs come true.

The Mediscare that is taking place is shameful. They are trying to frighten seniors into believing that this is not a bill that will help them, help seniors; and that is a shame. When the elderly are watching TV and they see the nasty ads on moveon.org, which are very despicable ads, I think that the record needs to be set straight on exactly the benefits of the Medicare prescription drug improvement bill that was passed and finally signed into law.

I held some town hall meetings in my district, and we discussed the myths that were out there; and when I gave the seniors the facts, every one of them was very happy that this bill passed and is law and will benefit them. Let me give my colleagues an example.

Myth number one is that seniors will be forced into a Medicare prescription drug plan. That is so far from the truth. The Medicare prescription drug plan is entirely voluntary. No one will ever be required to join. If you do not need it or if you do not want prescription drug coverage, you certainly do not have to enroll, not now, not ever, never, if that is what you want.

In addition, you actually are prohibited from joining the prescription drug plan if you already receive coverage from another plan. Many seniors are fortunate because either they or their spouse retired from a company or government entity that offers prescription drug plans.

The second myth that I was very happy to dispel was if they had prescription drug coverage now from their previous employer or their spouse's previous employer that that coverage would automatically be dropped. The fact is that the nonpartisan Employee Benefit Research Institute actually predicts that virtually no employees will lose coverage because of the very lucrative tax-free incentive that employers associations and labor unions will receive through this new law.

It is very interesting that many of the congressional offices had calls that were placed when this bill was under consideration, and they were placed by many former union members who were frightened into believing that this bill would not benefit them. What the unions were not saying is that they would actually receive funding as an incentive to continue the prescription drug plan that they may have for retirees.

When you look at the number of employers and associations and labor unions offering health care benefits, the number actually has declined from 66 percent in 1988 to only 34 percent in 2002. That was because of the rising costs of health care and prescription drug coverage.

This bill allows employers to negotiate better discounts from manufacturers and also provides incentives for them to continue their prescription drug coverage. This is what employers have been waiting for, and that is, some government incentives to continue their prescription drug coverage. For every dollar that the employer or union spends between $250 and $5,000 for the individual's coverage, for every dollar that they spend there they will actually get a 28 cent subsidy, and that is a tax-free subsidy which if you do the math equals about a 40 percent tax-free amount. Never before has government ever offered this kind of an incentive to private enterprise to continue health care coverage.

The third myth which, again, seniors, because of the moveon.org ads and some mailings that went out in many districts where there is a high number of seniors, and that was the myth that the new law would provide them with inadequate health care prescription drug assistance. The truth of the matter is that when a full prescription drug benefit takes effect, seniors could see their senior prescription drug spending reduced 25 to 75 percent, and that would be in exchange for a small premium estimated to be somewhere around $35. If we had not passed the bill last year, most would continue to pay full retail value for prescription drugs and would not see any savings unless you were covered under a private plan.

The fourth myth was that it only provides coverage for drug costs up to $2,250. It does include a donut provision and individuals are being told that there was no coverage for catastrophic expenses. Once armed with the truth, the seniors were very convinced that this was a good bill because the Medicare prescription drug plan pays 95 percent of catastrophic costs of $3,600 or higher and the average senior spends somewhere around $1,450 a year on prescription drugs, and the prescription drug plan included in this bill will actually cover about 75 percent of the cost between $250 and the $2,250. This is $750 more than the average senior spends.

For those expenses between $2,250 and $3,600, which are the ''donut,'' there still is an estimated 25 percent discount that will be available and then the person will only have to pay 5 percent of the drug costs once they reach that $3,600 amount. In other words, the government will be paying 95 percent of the pharmaceutical costs above $3,600.

□ 2200

Unfortunately, one of the other scares that were perpetrated on seniors was that it privatizes Medicare. This bill modernizes Medicare to provide better health care within the existing Medicare program. Medicare will continue to be administered, controlled, and regulated and, lest we not forget, paid for by the Federal Government. Medicare already provides health care from private doctors, hospitals, and even allows participation in private integrated managed health care plans.

This bill, which was signed into law, actually gives seniors more of a choice in doctors while providing the benefits that absolutely needed to be guaranteed.

The sixth myth was that there were no price controls in the Medicare prescription drug bill and that the cost of prescription drugs was not addressed. Again, another untruth that was told because some people are just angry because we finally did pass a Medicare prescription drug bill, and that issue will now be this side of the aisle's to brag about and to tell people about back in their district.

The bill does include reforms that will accelerate cheaper generic drugs to the market and it also removes the artificial ''S Price'' requirement. The Congressional Budget Office estimates that with these changes consumers will achieve billions of dollars in savings.

One of the other savings that we actually will achieve from this bill is that we will be keeping seniors out of hospitals. Let me give a very brief example:

I know of a woman in my district, her name is Fran, and she was on a multitude of medicine. She was 85 years old. Fran was actually cutting the medicine in half because she could not afford the cost of the prescription drugs. With this kind of coverage, she clearly will be not hospitalized as often and she will have the medication that she needs.

In the meantime, she is taking advantage of some of the cards that are out there. She will be very happy when the card comes out in May of this year, the discount card, and also she prevailed upon her family to help her. This prescription drug plan that was finally signed into law, Mr. Speaker, means that she will not feel as if she has to be dependent upon her family.

Another myth is that it does nothing to help Florida with our drug and health care costs. As you know, Florida is a great haven for seniors because of the wonderful weather and low taxes. This bill actually provides billions of dollars to the State for seniors and for those duly eligible Medicare and Medicaid retirees. This proposal provides 650,000 lower-income seniors in Florida, who are not eligible for Medicaid, $10 billion worth of prescription drug benefits. It also provides an additional 490,000 Floridians who are duly eligible for Medicare and Medicaid with over $6.7 billion annually in prescription drug coverage with no gap in that coverage.

Currently, there are a large number of seniors in Florida who are reimporting drugs from Canada, and there was a fear out there that they would no longer be able to continue to import pharmaceutical products from Canada. When I informed them that the truth of the matter is that H.R. 1 requires both HHS and the Federal Trade Commission to study the safety and trade issues surrounding drug reimportation so that their safety would be of paramount concern, and that we are going to resolve the safety issue in an expeditious manner, they felt a great deal of comfort in that.

One of the last myths that happily we dispelled was that it does not address preventive care. The fact is that under H.R. 1, all new enrollees will be eligible for a Welcome to Medicare physical. In addition, all Medicare beneficiaries will receive cholesterol screening and be part of a disease management program.

Senator KERRY and our colleagues on the other side of the aisle should be ashamed. When this monumental bill came before Congress, Senator KERRY did not even take the time to cast his vote or to speak before his colleagues. Yet now he stands in criticism. Moreover, time and time again he voted to cripple America's health care system by opposing curtailments on frivolous lawsuits that drive up the cost of health care for all Americans.

Seniors deserve peace of mind when making health care decisions. For the first time in history, we are protecting seniors by preserving their Medicare benefits while providing them with more choices. And, again, I want to stress, this is a voluntary program.

Mr. Speaker, I am very pleased to have some of my colleagues here this evening, and I want to yield to the gentleman from North Carolina to give him an opportunity to express his views because I know he was very supportive of this bill.

Mr. HAYES. Mr. Speaker, I thank my friend and colleague, the gentlewoman from Florida (Ms. GINNY BROWN-WAITE), for yielding to me.

We have been here a long time tonight, Mr. Speaker, and I cannot believe some of the things that I have heard. My good friend and colleague, the gentleman from Massachusetts (Mr. DELAHUNT) is a liberal, whose views are widely respected. He has been here many years and there is no question about his philosophy. It is admirable that he sticks to his guns.

My colleague from Illinois is the son of a pediatrician, a very noble profession, but he failed to mention that he was integrally involved for 8 years in the ''immaculate deception'' known as the former administration that brought America's citizens the largest tax increase in history; the administration that brought this country the *Cole*, the bombing of Khobar Towers, virtually looking the other way on terrorism, yet he has the nerve to stand before us and the American people tonight and point to, in a mocking way, a way that mocks our courageous men and women in uniform in Iraq for using money that was taken from the Iraqi people, extorted and stolen by Saddam Hussein, our men and women are taking that money and helping them to build a society that not only puts them on their feet, but takes the feet out from under terrorists in Iraq and around the world.

No, America does not have to ask permission to defend our citizens, our shores and our country from terrorists. I think it is important that we focus on that tonight as we look at one of the many achievements of this majority party and this administration of George W. Bush.

We have cut those taxes, we have put money back in the pockets of Americans so that they grow our economy. We have equipped our men and women in uniform so that they can protect us from terrorists, whether they be from Iraq, Afghanistan, or wherever they might be. And also we have spoken to the needs not only of our senior citizens but health care across the board.

My colleague tonight has chosen to bring forth some important facts about Medicare. And what she has said is true, unlike many of the other things we have heard tonight. Let me personalize for a minute, if I can, the things that my friends, my constituents in North Carolina's Eighth District have said about Medicare reform. And also, I might add, that I was not good in calculus, Mr. Speaker. But in basic math I was okay. Two times zero is zero; ten times zero is zero. Forty years of control by the other party yielded no Medicare reform nor prescription drug benefits, but it has yielded an awful lot of empty rhetoric.

America's seniors know this body is committed to strengthening and sustaining Medicare. We are closely monitoring its implementation and eagerly anticipating the roll-out of the discount card this spring, making the way for the Part D benefit in 2006. Mr. Speaker, America's seniors faced a challenge over the years. Medicine made advances in ways they never imagined as children, but their health care delivery system, Medicare, was stuck in the 1965 mode. Medicine was modern but Medicare was not.

The legislation this body passed closes a huge gap between the Medicare system and the way modern medicine is practiced. My colleagues, the gentleman from Georgia (Mr. GINGREY) and the gentleman from Texas (Mr. BURGESS), I am sure, will speak to that.

Mr. Speaker, my district stretches from the urban center of Charlotte, North Carolina east of Fayetteville, and includes all the beautiful rural communities in between. In January, I made nine stops across my district to talk with folks about the new Medicare reform plan. Overwhelmingly, my constituents told me that they were grateful that finally this body had acknowledged their need for real prescription drug coverage, not some pie-in-the-sky promise that promised but never produced. Over and over again, they told me how grateful they were that finally the help they needed was on the way.

Mr. Speaker, I want to tell you a little more about what the folks are saying at home. Before the passage of this critical legislation, county officials told me that Medicaid was an increasing burden they could not bear much longer. Now county officials tell me

with Medicare instead of Medicaid assuming the first payer prescription drug cost of over 235,000 North Carolina beneficiaries who are eligible for both programs, the State will save $882 million over 8 years. Real savings to our counties and our communities.

Before the Medicare Modernization and Prescription Drug Benefit Act, doctors in my district said the reality was they were going to have to stop seeing Medicare patients because the cost was too great and the unfair payment reimbursements were far too low. Now doctors express relief the 4.5 percent cut in 2004 and additional cut in 2005 was blocked. Instead, physicians will receive a 1.5 positive update.

Physicians agree it makes sense that Medicare provides screening tests for early detection of diseases and diabetes, and initial wellness exams for seniors, and it goes on and on.

Let me hasten to add what people actually have said. Greg Wood, President and CEO of Scotland Health Care System, Scotland County's third largest employer, which, I might add, this is a jobs bill, because proper reimbursements adds jobs, particularly in rural communities for health care. This is what Greg Wood said.

''For two consecutive months, we have been operating in a budgetary deficit. With 40 percent of patients participating in Medicare, the program was a critical factor in influencing the economic success of the health care system in Scotland County. With the new legislation, we will be able to get back several hundred thousand dollars of this revenue as well as offer better, more inclusive health care. We believe this is the most significant legislation in decades, maybe even since Medicaid and Medicare were started.''

FirstHealth Richmond's CEO John Jackson said, ''As the administrator of a small rural hospital, it will certainly help us to be financially viable. The passage of the Medicare prescription drug bill will be a great benefit for seniors in our community.''

Another administrator, Bill Leonard, CEO of Sandhills Regional Medical Center in Hamlet, North Carolina, says ''The new Medicare bill has provisions that will right some of the inequities that have favored urban hospitals over hospitals like Sandhills Regional that serves small towns across the country. We are pleased with the positive impact this legislation will have on Richmond County.''

Roy Hinson, President of Stanley Memorial, says, ''This represents the largest expansion of Medicare since it began in 1967 and includes the largest package ever for hospitals in rural areas and small cities.''

Finally, Larry Hinsdale, CEO of Northeast Medical Center in my hometown of Concord says, ''It is not often legislation can be passed that has such a positive impact for both providers of health care and for its recipients. This bill achieves both an improvement in access to high quality hospital care and access for seniors to a greatly needed prescription drug benefit.''

Mr. Speaker, in conclusion, our hospitals and our seniors are grateful for the efforts that have been accomplished here in this Congress, and I appreciate the opportunity to highlight some of the benefits and what people are saying about the efforts of this majority party and this President.

Again, I thank my colleague again and yield back to her so that we might hear more helpful and enlightening information.

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I am certain the number of retirees in North Carolina are increasing all of the time, and I think it is important to remember that because women actually outlive men by about 5.4 years that so many times women are left living at the poverty level or just slightly above it.

This certainly will help so many women because, for example, a woman who is a widow, or without her husband's insurance, will now have a prescription benefit available to them that will save approximately 60 percent of all drug costs if they choose to enroll. It is going to be a godsend for so many women, certainly for the retirees in North Carolina, and I know in Florida.

Mr. HAYES. Mr. Speaker, I thank the gentlewoman for her facts, and if I might ask the gentleman from Illinois (Mr. SHIMKUS) to respond to a question.

Mr. SHIMKUS. Mr. Speaker, if the gentlewoman will continue to yield, I would be glad to.

Mr. HAYES. Mr. Speaker, I listened with great interest to the gentleman's colleague from Illinois. Is that not the same gentleman who supported in last year's appropriations bill amendments that would have added some $16 trillion to the deficit that now all of a sudden, he and a few others are concerned with? Is that number, in my mind, somewhat correct?

Mr. SHIMKUS. Mr. Speaker, I have not checked my colleague's voting record, but that is probably a good assumption.

Mr. HAYES. It is a very good number, and I would appreciate it if my colleague could help us rein him in, since he is the gentleman's neighbor.

□ 2215

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I yield to the gentleman from Illinois (Mr. SHIMKUS).

Mr. SHIMKUS. Mr. Speaker, I am going to speak about a couple of provisions on the Medicare prescription drug bill. I have been to town hall meetings, three hospitals in my community, I have been to some editorial boards. It is an issue that the public needs to hear from us about.

This bill has passed and will become law, and we are going to find out real soon how helpful this bill is. Come June, the discount cards are going to get mailed out, and then the proof is going to be in the pudding. Either they are going to lower costs and people get access to drugs; or they are not. Either way, we are held accountable by the way we vote.

The first provision I would like to mention is it is voluntary. Voluntary means you can do it if you want, you do not have to do it if you do not want to, which is very different in the ideological spectrum of debate. Republicans believe in freedom. Our primary principle that we stand for is freedom; and freedom allows individuals to choose one way or the other. The freedom aspect is whether they want to be a part of a prescription drug system that supports and helps, or seniors do not want to. We trust that seniors will be able to make choices that best fit them. That is laudable, and I would rather be on the side of trusting seniors than saying, no, the Federal Government has to do it for them because our seniors cannot do it themselves.

The other thing I would like to mention is what is on this chart. There is a debate out there that there is not going to be any negotiation for lower costs of drugs. Well, obviously, the prescription drug cards and the program itself is not going to be prohibited from using the market forces and the number of people in the plan to exercise buying leverage on the prescription drug industry. It is pretty clear.

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, HMOs have used the PBMs, the pharmacy benefit management, concept for so long because they realize that they are excellent at negotiating the prices of prescription drugs. Several of the HMOs in Florida have done that and have had significant savings that they then could pass on to the seniors who are actually in the Medicare+Choice plan. When you have somebody who knows how to drive those prices down, why reinvent the wheel.

Mr. SHIMKUS. Mr. Speaker, that also brings competition to the negotiation of prices. If we just have the government negotiating, first of all, it is not a for-profit entity. It is not going to have the incentive to drive a hard bargain; it is just going to set prices with no return. But if we have a handful of companies competing to service a senior population in a competitive model, if you believe in freedom and competition and all of those things that we do, we are going to get a better product. I am excited, and I supported the bill. I think it will be helpful for seniors. I wanted to highlight that on the prescription drug issue.

One other aspect of the prescription drug issue is the number one thing that seniors came up to me before the vote that they were concerned about was whether they would lose the coverage that they had that was promised to them in their pension and benefit plans. They would pull me off the parade route or after church, wherever I was, Will I lose it? There are 41 million seniors in the Medicare system, and 13 million are covered by prescription

drug plans through their pension and benefit plans. Thirteen million. We could never assume that additional cost, so we have to provide a provision in this to incentivize the pension and benefit plans to keep providing. That is a promise that we provided to these seniors, and that is in the bill. So we met their need.

They did ask us, and because it would be very destructive for us, already trying to be fiscally conscious, to add $13 million more entitlements to a system when they are already receiving benefits.

The Medicare prescription drug bill is not just about prescription drugs, though. It is the best rural health care package ever passed on the floor of this House. Now, I represent southern Illinois; I have 30 counties. They stretch from as many as 250,000 people in one county to 5,000 in another. I border Indiana, Kentucky, and Missouri. The best rural health care package ever passed by the House of Representatives was in this Medicare prescription drug bill for community hospitals, for critical care hospitals, and for rural home health care agencies. That is part of this debate. So people who want to try to change this Medicare prescription drug bill, they really are threatening the great provisions that have already been passed that will help rural health care throughout not just Illinois but throughout the country.

The other thing that I wanted to highlight was the preventive medicine aspects of this Medicare bill. I always talk about modern medicine, and I think the debate when you identify when Medicare was established in the 1960s, what has stayed the same. We do not drive the same cars that were built in the 1960s, we do not live in the same style homes, or use the same type of electrical appliances. We have computers and turbo-charged engines. The only thing that has stayed the same is Medicare. We would pay for reactive measures, not proactive measures. In other words, we would pay to try to fix the blindness, to deal with the amputations, to deal with the effects caused by diabetes; but we would not pay for the drugs needed to treat diabetes, and that is a silly way of doing business. First of all, there is no cost benefit in that. You are a loser financially when you do that.

So the preventive aspect, there is going to be a Welcome to Medicare physical. Seniors will get a physical to establish where they are in the health care continuum, initially to make diagnosis. And, obviously, early diagnosis of major diseases through the application of prescription drugs is cheaper and healthier for all involved.

I have taken enough time, and I have a lot of colleagues on the floor, and I know they are eager to talk about the great benefits of the prescription drug bill. I thank the gentlewoman for yielding me this time.

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, one of the other things that we need to point out is that there is a scheduled copay that was supposed to take effect for home health care. That is postponed in the bill, and it is eliminated in the bill.

Additionally, there was a $1,500 therapy cap. I recently broke a bone in my arm, and $1,500 might be okay for a broken bone, but somebody who has a stroke, $1,500 worth of therapy would not even touch their needs. So we eliminated the $1,500 therapy cap, which I know there are many seniors out there that are very grateful for that. That is one of the small parts of this bill which means so much to so many seniors.

Mr. SHIMKUS. Mr. Speaker, this is the beginning of my 8th year here, and that therapy cap issue has been presented to us year after year for 8 years, and I think it is right to bring that up. I am just sorry that the gentlewoman had to break her arm to make a point for that therapy issue.

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I yield to the gentleman from Alabama (Mr. ROGERS).

Mr. ROGERS of Alabama. Mr. Speaker, I thank the gentlewoman for yielding me this time.

When I first came to Congress, I made a promise to seniors in Alabama. I told them I would fight for their interests in Congress. I told them I would work to strengthen and secure Medicare for generations to come, and I told them I would fight for a new prescription drug benefit under Medicare.

Mr. Speaker, these days I return to my home State of Alabama having followed through on that promise. Thanks to the leadership of President Bush and a bipartisan group of Members of Congress, the seniors in my home State of Alabama will soon have a prescription drug relief benefit. It comes not a moment too soon.

Alabama seniors all across the Third Congressional District continue facing high drug costs. In fact, drug prices have risen in the few short months since President Bush signed this law. Fortunately for our seniors, relief is on the way. Beginning in May, Alabama seniors will see immediate relief through a voluntary prescription drug discount card. Seniors who choose to enroll in this benefit will see discounts of up to 25 percent with this drug card. This means that on a $100 monthly prescription, seniors will save $25. That is $300 a year. This is a voluntary program. No seniors will be forced into anything. Seniors happy with their current coverage under Medicare will have no changes to their plan. This is a 100 percent voluntary program. Nor will seniors with employer-paid drug plans need to worry about their coverage. The new Medicare law offers substantial incentives for employers to continue to provide prescription drug coverage to employees and retirees, but Congress did not forget about those most needy seniors, either.

Alabama seniors with low incomes will soon receive extra assistance under this law. In the Third Congressional District of Alabama, the area of the country I represent, approximately 21,400 seniors with low incomes will soon qualify for a new $600 annual subsidy. Coupled with the prescription drug card, this $600 annual subsidy will help Alabama seniors with lower incomes decrease their drug bills substantially.

Mr. Speaker, the promises do not end there. In rural areas across the country, like those in my district, seniors, families, and children are losing access to health care. In fact, the discrepancies between rural and urban health care have long been a concern of mine. That is why I am proud that President Bush and a bipartisan group of Members of Congress who supported this bill also included increased support for rural doctors and hospitals. Under the new Medicare law, rural hospitals, doctors, and clinics will receive an unprecedented $25 billion to improve the quality and availability of health care. Of this, nearly $934 million is dedicated to help improve health services all across Alabama. Of that amount, nearly $20 million is dedicated just for the Third Congressional District of Alabama. That is no small amount of money.

This new funding for rural hospitals will not only help improve the health of all our seniors, but it will also help improve the health of every single Alabamian young and old. Rural hospitals and clinics will be strengthened through significant increases in hospital reimbursement rates as well. Because of this law, emergency and primary care will be available to Alabama families in rural areas, just like people living in big cities like Atlanta.

Mr. Speaker, I said a moment ago that this new Medicare law is about promises. Last year President Bush and the Republican leadership promised new prescription drug coverage under Medicare. We kept our promise. We promised new benefits to seniors like preventive screening and diabetes testing. We kept that promise. We fought for rural hospitals, doctors and pharmacies in hopes of improving rural health care for all Alabamians. We kept that promise, too.

Mr. Speaker, the Medicare prescription drug law is about promises made and promises kept. I am proud that we worked so hard to improve seniors' lives. Our challenge now is to ensure that seniors know about the benefits to which they are entitled. We must ensure seniors are not confused by the dangerous political posturing and unnecessary, confusing double talk. Is this a perfect bill? No. But it is a great start, and certainly better than the little or no prescription drug coverage most seniors had before. To quote AARP President James Parker from a recent statement, ''The bill represents an historic breakthrough and an important milestone in the Nation's commitment to strengthen and expand health security for current and future beneficiaries.''

□ 2230

I agree, Mr. Speaker. On behalf of Alabama seniors, I thank President Bush and the gentleman from Illinois (Speaker HASTERT) for their leadership in passing this historic bill. I pledge to continue doing whatever I can to help strengthen Medicare and to work to improve the health of all our Nation's seniors.

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I yield to the gentleman from Texas (Mr. BURGESS). It is good to have two doctors, one on each side of me here.

Mr. BURGESS. Mr. Speaker, I thank the gentlewoman for yielding and bringing this very important issue up before the floor of the House tonight.

I have done several town halls and talked to my medical staffs back in my district, and you do get questions from people back home, why undertake this rather complicated process of trying to modernize Medicare?

The fact is, Mr. Speaker, and I believe the gentleman from North Carolina (Mr. HAYES) pointed it out earlier, that back in 1965, when Medicare was first enacted some 38 or 39 years ago, that the expenses that a senior might face with a medical condition would be those expenses from a long hospitalization, such as treating pneumonia, or surgery.

In fact, Mr. Speaker, I think they only had two medications back then, cortisone and penicillin, and they were pretty much interchangeable. But the world has drastically changed since 1965, and we have so many more medications available to us.

The gentlewoman from Florida mentioned the particular problems with senior women. Mr. Speaker, in my years of practice in obstetrics and gynecology back home in Lewisville, we relied routinely on a medication called Fosamax, Actonel, another medication, to treat osteoporosis, that were not even thought of in 1965.

To not have these medications available to patients after making the diagnosis of low bone density, Mr. Speaker, it made no sense at all that we were going to document the fact they had osteoporosis and then not pay for the treatment.

The sad fact of the matter is, Mr. Speaker, when they came back 1 or 2 years later with a lower number on their bone density score, we said, ''Gosh, did you not use the medication I prescribed?'' And then we would find out that the medication was not purchased and that is why it was not taken, and losing that time for treating that disease, Mr. Speaker, that is unconscionable.

Individuals with osteoporosis are, of course, at increased risk for hip fracture. Hip fracture, when it occurs, carries a 25 percent mortality within a year after diagnosis, so it is no small issue to that group of senior women.

Mr. Speaker, we also hear some criticism from those on the other side of the aisle as to why we left people uncovered in the Medicare bill that we passed. The truth is, Mr. Speaker, there was an attempt made to cover those people who most needed coverage, and that is people at the bottom end of the income scale and people with catastrophic illnesses.

Yes, it would have been great to cover everyone in between, and several of the Members on the other side of the aisle recommended that the night we had the debate, but the reality is the cost of the Medicare prescription drug program ballooned by over half to up to $1 trillion over 10 years, and, Mr. Speaker, it was thought that this was the prudent way to provide the prescription drug benefit to those who needed it most, seniors at the low income level and seniors who faced catastrophic coverage.

Paying for the prescription drug benefit, and that has become an issue that we have heard a lot about, in fact, Mr. Speaker, when I was back home in my district in December, I picked up an oped article from Ronald Brownstein out at the Los Angeles Times. He said that there are only two ways we pay for healthcare in this program, through either private insurance or government-run programs.

I would like to correct Mr. Brownstein, and I am sure the gentleman from Georgia (Mr. GINGREY) will attest to this. Back in the day I was practicing medicine, I did a lot of uncompensated care, and that was another way that healthcare was paid for, somebody just did not pay their bill.

But another way healthcare is paid for, is people will write their own check for healthcare. One of the things that we did in this Medicare bill that I am so proud of is the institution and the expansion of the old Medical Savings Account into what is now called a Health Savings Account. This is not just for seniors, but this is for anyone.

People now can start to put money away tax deferred that will grow tax deferred to provide for their medical care at whatever point in life that they need it. This is a tremendous advance in being able to pay for medical care, and, Mr. Speaker, it was a big boon and a big part of the bill that we just passed.

Finally, let us just talk for a second about the cost estimates that we have heard on this bill. We talked about the $390 billion over 10 years that the Congressional Budget Office assigned this bill, and then the White House Office of the Budget came up with a somewhat higher figure, and, of course, the folks on the other side said, See, we told you you can't do it for that.

But the reality is both of those are estimates, and, Mr. Speaker, the chairman of the Committee on Ways and Means himself admitted that the Congressional Budget Office did not even try to take into account the fact that we would be treating illnesses on a more timely basis, we would be providing for preventive care in this bill, so there is really no way to adequately assess the cost, and for someone to come out and say it is suddenly 25 percent higher than it was last year, well, those are just numbers. It is smoke and mirrors, because no one actually knows how the cost of care is going to come down by treating illness in a timely fashion.

Finally, I would just like to say about cost, if the other side is so concerned about costs, and I thank the gentlewoman from Florida for bringing this up, because this is so important, Mr. KERRY did not see fit to be in the Chamber when this bill was voted on, but, more importantly, he voted against meaningful liability reform in this country last summer.

Mr. Speaker, a study done at Stanford University back in 1996, so these are 1996 dollars that I am talking about, this study showed that if doctors were not practicing defensive medicine, and we are not talking about the cost of buying malpractice insurance or the cost of a lawsuit, we are talking about the cost of defensive medicine, what lengths doctors go through to prevent them from being sued, if the cost of defensive medicine were subtracted from the system, the Medicare system, $50 billion a year, that would pay for your prescription drug benefit under either CBO estimates or White House Office of the Budget estimates.

That is so important, and America needs to look at the fact that the Senator voted against meaningful liability reform, which would have paid for the prescription drug benefit in the bill that we passed last December.

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I want to thank the good gentleman from Texas for being here. He is absolutely right, you cannot have it both ways. Mr. KERRY cannot vote against meaningful tort reform, and then all of a sudden be worried about the high cost of healthcare, when we all know what a very high percentage of it is. Certainly I have known percentages, anywhere from 30 to 40 percent of the cost of healthcare today is because we have become such a litigious society.

I am very happy to yield to the gentleman from my neighbor State of Georgia (Mr. GINGREY), also a freshman Member.

Mr. GINGREY. Mr. Speaker, I thank the gentlewoman from Florida for yielding, and I thank my colleagues for bringing such important information before the Congress tonight on this very, very important issue, the Medicare Modernization Act and Prescription Drug Act of 2003, a promise that was made to seniors a number of years ago and a promise that finally this President, our President, George W. Bush, has delivered on. I am proud, of course, as a physician Member of this Congress to have been very supportive of this Medicare Modernization and Prescription Drug Act.

Mr. Speaker, I think all of us realize, we are in an election year, and not just any election year, but, of course, a

presidential election year, and there is a lot of rhetoric going around in these halls and in the respective town halls of districts of Members and a lot of criticism of the administration and this President, and what I like to call MediScare rhetoric, MediScare rhetoric.

In the little bit of time I have tonight, let me try to clarify for the Members one such MediScare subject, and that is this, that the allegation that this prescription drug bill for seniors, for our needy seniors is nothing but a giveaway to the pharmaceutical industry.

Think about that now, nothing but a giveaway to the pharmaceutical industry. One could have said in 1965 when Medicare was first enacted, some 38 years ago, that Part A, the hospital part of Medicare, was nothing but a giveaway to the hospitals. After all, it is the hospitals that provide the care under Part A.

One could also say that Part B, the physician part, was nothing but a giveaway to the doctors, those doctors who are performing critical surgery, taking care of patients, it is nothing but a giveaway to the physicians, because, after all, they are the ones that provide the care under Part B.

Now, here they come in 2004 saying in their MediScare rhetoric that Medicare Part D, the prescription drug part which our seniors have waited for for years, is nothing but a giveaway to the pharmaceutical industry.

Obviously, the pharmaceutical companies are going to sell more drugs, no question about that. Nobody else can do that. Nobody else is in that business. Nobody else makes the drugs, the wonderful drugs, because of the research and development that has gone into that, that has provided the best pharmaceutical prescriptions of any country in the world. That is the pharmaceutical companies, and, yes, thank God, finally, they are going to be able to sell more drugs because our seniors, at long last, are going to be able to afford to buy those drugs. But this is not a giveaway to the pharmaceutical industry.

What is going to happen is because they sell more prescription medication, then we are going to lower the price. Anybody, Mr. Speaker, any Member of this body, anybody who is paying attention to us here tonight, understands the volume discount you get when you sell more of a product, whether it is a new car dealer selling 100 units a month versus 10 units a month, they can sell them at a lower price. That is what this is all about.

It is nothing but a scare tactic on the other side, not willing to give the credit where credit is due, to this President, this Republican leadership, this Congress, for finally delivering on a promise that others have made when they were in control, but they failed to keep that promise.

I want to just mention, Mr. Speaker, in the few minutes I have got left, about some of the organizations that have been so supportive of this legislation. I do not have enough time to list them all. I could go through every medical sub-specialty, certainly the American Medical Association, my Medical Association of Georgia, in the district that I represent, the senior organizations. The most well-known, of course, which represents some 35 million seniors, including yours truly, Mr. Speaker, the American Association of Retired Persons, the AARP. Listen to what they say. I just want to call your attention to this poster to my left.

''AARP believes that millions of older Americans and their families will be helped by this legislation. This legislation protects poor seniors from future soaring prescription drug costs. The bill will provide prescription drug coverage at little cost to those who need it most. It will provide substantial relief for those with very high drug costs. It also provides a substantial increase in protection for retiree benefits.''

Mr. Speaker, what that says is the American Association of Retired Persons endorsed this bill when they made sure that Medicare would do everything in its power to prevent companies from dropping their healthcare coverage, including a prescription drug benefit, for their retirees who had worked sometimes 35, 40 years, for the company. These companies were dropping these plans or cutting the benefits, and this is what is happening even before this Medicare Modernization and Prescription Drug Act was passed. But it was only when we shored up those companies to prevent them from dropping these plans that the American Association of Retired Persons came on board in support of this bill.

I commend them. No, I am not about to tear up my AARP card. I think they represent seniors well, and I am proud of them for their support.

I could go on and on, and I am not going to do that, because some more of my colleagues are here, and I thank the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) for bringing this special hour to the Congress to make sure that the Members understand that we are listening to a lot of rhetoric now during this election season, a lot of scare tactics, but it is unfair to scare our seniors. We are providing a benefit to them that is much needed, and the benefit goes to the very heart and helps those needy seniors the most.

□ 2245

It is an absolute Godsend, Mr. Speaker, for them. I thank the gentlewoman for giving me this opportunity tonight.

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, it certainly is much needed and certainly long overdue, and I think any senior who has been out there waiting will tell us that.

Mr. Speaker, I would like to yield to the gentleman from Indiana (Mr. CHOCOLA).

Mr. CHOCOLA. Mr. Speaker, I thank the gentlewoman for bringing us together tonight to talk about a very important subject. Mr. Speaker, it is a bit unfortunate that we are actually here tonight, that we have to talk about the facts, that we have to cut through the rhetoric, cut through the misinformation that has revolved around this very important bill that delivers a very important benefit to our seniors.

The facts are that the Medicare bill is a voluntary bill, and no one has to do anything that they do not want to. They can keep the Medicare exactly the way it is, or they can add a very significant benefit. The facts are that they have a choice, they have a choice that will best fit their individual needs, and they can change that choice as their needs change. They can also save about 50 percent on their prescription drug needs. This bill will lower the cost to the average senior by about 50 percent for their prescription drug needs.

But the facts are, we are here because we have to focus on those facts, as our colleagues are doing tonight. Like my colleagues, I did about 10 to 15 town hall meetings on this issue; and what I found is people came with a sincere interest to learn, a sincere interest to cut through the rhetoric and understand how this Medicare bill impacts them in their daily lives. I appreciate the comments that my colleagues have made to help clarify how this impacts our seniors on a day-to-day basis.

But one of the most difficult questions that I got during those town hall meetings was the question, Why can we not bring cheaper drugs in from Canada? The answer, Mr. Speaker, is that we can bring cheaper drugs in from Canada, so long as the Food and Drug Administration can guarantee their safety. Because what we do not hear, Mr. Speaker, is there is a provision in this Medicare bill that allows Canadian drugs to come into the United States so long as the FDA can guarantee their safety, just like we ask the FDA to guarantee the safety of every single drug that is sold in America.

I asked the question, Why would we ever let a drug come into the United States that does not live up to the same quality and the same safety standards as every drug that is sold inside the United States? I had one lady stand up and she said, Well, do not give me any safety arguments. Do not talk about counterfeit drugs. I asked her, Well, why should I not do that? She said, Because I have a bottle here that says made in the USA. In fact, it says Eli Lilly, made right here in the State of Indiana. I said, Well, ma'am, how do you know that those are not counterfeit drugs? She said, I know because I am smart. And I said, Well, with all due respect, ma'am, it does not have anything to do with how smart you are or how smart I am; it has to do with whether you have a chemical engineering degree, or whether you have a chemical lab in the back seat of your car or your basement, because the only way that you can determine whether those drugs are counterfeit or not are to do the chemical analysis.

Although she did not necessarily agree with that, she wanted to keep talking about it. I said, Well, let me share with you a story. This is a story that happened right here on the floor of the House of Representatives last summer. Last summer I came on the floor and I sat down in the aisle right behind me and I sat down next to the chief of staff of the Committee on Agriculture on which I serve. The chief of staff turned to me and said, You know what? An hour ago we found out that there was a cow in Canada with mad cow disease.

Mr. Speaker, one may ask, What does mad cow disease have to do with counterfeit drugs coming into the United States? The reality is that within 12 hours we had shut down our borders. There was no cow that was going to come in to the United States from Canada because we were concerned about mad cow disease infecting the citizens of this country. Well, Mr. Speaker, the reality is, do my colleagues know how many people have ever suffered from mad cow disease in the history of the world? A little over 100, not one of those people in the United States.

So we have a national outcry. When one cow in Canada is infected with mad cow disease, we will not let one cow cross that border. We will not let one ounce of beef from Canada come into the United States. Yet we will talk about allowing prescription drugs that could be counterfeit coming across those borders.

Mr. Speaker, I think we as Members of Congress have a responsibility to share the facts of the Medicare bill, and we have the responsibility to stand up and not do what is politically popular, but what protects our constituents, protects consumers of the United States, and focus on the real issue, which is the affordability of prescription drugs. And this bill addresses that problem with the high cost of drugs, because it has a discount card that will provide a 10 to 25 percent immediate savings for seniors, it brings market competition into the prescription drug health care marketplace, it has health savings accounts, as my colleagues have talked about tonight.

There are a lot of other things we could discuss about the real issues; but we should not engage in scare tactics, and we should not put the health care at risk of all of the citizens of this country by bringing counterfeit drugs in from anywhere, not just Canada, but anywhere from outside this country.

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I have been very fortunate to have been named the chair of the Women's Caucus; and so much of this bill tonight, for my remaining time, I would like to emphasize the importance of the bill to women who are retired.

Mr. Speaker, in Florida alone, there are 167,000 elderly women who live below the poverty level. There are about 750,000 elderly women who are between the poverty level and the 150 percent of the poverty level who will be helped greatly by this bill. When we combine these statistics with the fact that the average woman in Medicare earns about half of the income from Social Security as a man, women are facing a very serious problem: How do they afford their prescription drug coverage?

Congress obviously responded to these problems and created the new voluntary prescription drug bill. Again, I am emphasizing, it is a voluntary prescription drug bill.

Unfortunately, women over the age of 65 suffer more from chronic illnesses than men. Over 14 percent of women suffer from arthritis, and 17 percent more suffer from osteoporosis. Five percent suffer from hypertension. Even more women have cardiac problems that will go undetected. The new benefit that is included in this bill, Mr. Speaker, the Welcome to Medicare physical for the baby boomers who are just coming into the Medicare arena, will be there to help detect many of these problems, including heart problems that very often historically have been misdiagnosed.

Mr. Speaker, I know that the hour is late and I am running out of time, but I did want to say that for the 2.1 million women in my State with no husband present, an astounding 30 percent of those women live below the poverty line. Republicans in Congress passed the bill that will benefit retired women and men; and for that, as more information comes out about the bill, as the truth comes out about the bill, I know that seniors around the Nation from the many States that were represented here tonight will be very grateful and are very grateful that we had the courage to finally pass a Medicare prescription drug bill for seniors.

IRAQ WATCH

The SPEAKER pro tempore (Mr. BONNER). Under the Speaker's announced policy of January 7, 2003, the gentleman from Massachusetts (Mr. DELAHUNT) is recognized for one-half of the time remaining before midnight, which is approximately 34 minutes.

Mr. DELAHUNT. Mr. Speaker, my friend, the gentleman from Hawaii (Mr. ABERCROMBIE), is present here with me tonight; and we anticipate that we will be joined by several of our colleagues to continue our weekly hour where we discuss events in the Mid East, with a particular focus on Iraq and Afghanistan and, hopefully, reveal to the viewing audience some information that they may be unaware of. Mr. Speaker, I yield to the gentleman from Hawaii (Mr. ABERCROMBIE).

Mr. ABERCROMBIE. Mr. Speaker, I thank the gentleman from Massachusetts. Again, Mr. Speaker, as the gentleman indicated, this is Iraq Watch. Several Members, some of whom voted for the resolution with respect to the attack in Iraq and some who did not, have been participating. The reason being that we find ourselves in a situation today where we are arguing about such things as budget, arguments taking place right now, both in the Republican Conference and in the Democratic Caucus. We find ourselves coming up on what might be termed the anniversary of the Iraq invasion. It is the anniversary. The question is before us as to what has been accomplished, what was involved; and I think, Mr. Speaker, I want to set a perspective before my colleagues and hopefully those in the American public who are viewing this evening.

There has been an increase, both in terms of discussion and in terms of reporting about activity on the Pakistan-Afghani border. There is speculation in the press, speculation in our communities across this country as to the whereabouts of Osama bin Laden and his cohorts; a flurry of reporting taking place that there is increased activity, sensors being placed, special forces being brought together, strike forces, including Pakistani troops, American troops, CIA operatives. The question becomes this, Mr. Speaker: Why now? Why has this not been going on since September 11, 2001? Why is it taking place 6, 8 months before an election? Where is the justification for what took place in Iraq as a diversion from going forward on the Afghan-Pakistan border to capture or eliminate Osama bin Laden and his cohorts? What is the justification as we come up on the year anniversary of the invasion of Iraq of not bringing hostilities to a conclusion in Afghanistan and Pakistan with respect to the attack that was made on the United States?

There is a cover here that the gentleman from Massachusetts (Mr. DELAHUNT) has to his immediate right from Time Magazine, with a picture of Mr. Bush facing himself, a mirror image, if you will, that says, believe it or not, Does Bush have a credibility gap? I cite that not because I am interested in what Time Magazine has to say by way of cute phrasing or what they consider to be a provocative title or visual, but, rather, that the question is one that needs to be answered as we approach this anniversary of the attack on Iraq. Why are we involved now in expedited activity and an expedited increase in intense activity on the Afghan-Pakistan border to capture or eliminate Osama bin Laden? What have we been doing for the past 2 years?

Well, I can tell my colleagues what we were doing. We were diverting our attention from those who attacked us on September 11 and instead preparing ourselves and ultimately carrying through an attack on Iraq, which has turned into a disaster, an unmitigated disaster for this country. We have not captured Osama bin Laden, we have not stopped or eliminated the Taliban threat in Afghanistan, we have not come to a conclusion with respect to the stability of Pakistan, and we have created a situation in Iraq which is headed for political, economic, and social disaster.