

not going to accept her death quietly because her life was cut short and I don't want to see others suffer the same fate that she did.

As terrible as these stories are, these people are technically among the lucky ones. The father who sent me that e-mail has what amounts to catastrophic health coverage through his wife's job. American Indians are promised health care by the Federal Government, even though that promise is routinely broken.

The nearly 44 million uninsured Americans have even less than that. None of us should accept this quietly.

The lack of health insurance has devastating consequences for uninsured individuals, for families, and for our Nation as a whole. According to the National Institute of Medicine:

Children and adults without health insurance are less likely to receive preventive care and early diagnosis of illness. They live sicker and die younger than those with insurance.

Eighteen thousand Americans a year die prematurely because of lack of health insurance.

Families suffer emotionally and financially when even one member is uninsured.

Communities suffer as the cost of uncompensated care is shifted onto doctors, hospitals and taxpayers.

The Nation suffers economically. The Institute of Medicine estimates that lack of health insurance costs America between \$65 billion and \$130 billion a year in lost productivity and other costs.

The National Institute of Medicine has called for universal health coverage for all Americans by 2010. Democrats have been leading the fight for universal health coverage in America for decades. We created Medicare.

We welcome Republicans' concern about the rising number of Americans without health insurance, and we want to work with them to find solutions. But the proposals offered by the President and congressional Republicans will not work.

A recent study concluded that the President's proposals would only reduce the number of uninsured Americans by between 2.1 and 2.4 million people out of the 44 million who have no health insurance. That is not even as many people as have lost their health coverage during his administration. We have to think bigger, for if we "cover the uninsured" at that rate, we will continue to lose ground.

Moreover, some of the President's ideas would actually make matters worse. According to CBO, the President's plan to create "association health plans" would decrease the number of uninsured Americans by only about 600,000 people—600,000 out of nearly 44 million. But it would increase premiums for 80 percent of employees of small businesses. It would also exempt "association health plans" from important State regulations, including solvency requirements and other protections.

The administration's proposed health care tax credit is far too low to help most people who need help. It also ignores two fundamental problems: Premiums for individual health care coverage are far too high for most Americans, and, if you are not young and in good health, you may not be able to purchase an individual health insurance policy at any price.

Health savings accounts are no solution, either. They are a tax shelter that primarily benefit the healthy and the wealthy—those who are least likely to be uninsured. A new study by an M.I.T. expert released just this week concludes that the President's health savings account proposal would actually increase the number of uninsured Americans by 350,000—and cost taxpayers \$25 billion. There are better ideas.

After that father sent me that e-mail, we told him about the CHIP program. Today, his two children have health insurance through that program.

In the words of that South Dakota father:

The CHIP program is a tremendous safety net for families. At least now, when my children are sick, I can take them to the doctor. It takes some of the fear away. And, when you walk in to the doctor's office or the hospital and show them that card, they treat you like a human being.

The CHIP program is working. We should continue it—and our other successful Federal health care programs—and ensure they are adequately funded.

We recently introduced a bill that could significantly reduce the number of uninsured Americans and help small business owners create new jobs at the same time. The Small Business Health Tax Credit—S. 2245—would provide small businesses with tax credits to cover up to 50 percent of the cost of their employees' health insurance. Businesses with 36 to 50 workers would get a tax credit worth 30 percent of their employee health care costs. Companies with 26 to 35 workers would get a 40-percent tax credit. And companies with 25 or fewer employees would get the full 50-percent tax credit. This is a far more generous tax credit than what small businesses can claim now.

Business owners and entrepreneurs are working hard to make a profit—but their profits are being eaten up by out-of-control health care costs.

Finally, later this morning, my colleagues and I are going to announce a bold new commitment that will enable the Federal Government to offer every American access to quality health care at an affordable price within 2 years. We look forward to working with our Republican colleagues to make that commitment a reality.

I recently received another letter from a woman in South Dakota. She wrote:

I have noticed that gas stations continue to place spare-change jars on counters for fundraisers, and small towns often hold pancake breakfasts for the same reason. However, rather than raising money for band

trips and sports, they are increasingly for a local uninsured person's health care.

There are better ways. Working together, we can tap the spirit of community and compassion those spare-change jars represent, and we can find ways to ensure that every American is able to see a doctor when he or she is sick.

We do not have to be the only major industrialized nation in the world that fails to guarantee health care for all its citizens. We can do better, and none of us should rest until we do.

I yield the floor.

MORNING BUSINESS

The PRESIDING OFFICER (Mr. GRAHAM of South Carolina.) Under the previous order, there will be a period for the transaction of morning business for up to 60 minutes, the first half of the time under the control of the majority leader or his designee, the second half of the time under the control of the Democratic leader or his designee.

The Senator from Wyoming.

HEALTH INSURANCE

Mr. THOMAS. Mr. President, I would like to take the first 10 minutes of our 30 minutes and talk a little bit about the uninsured and talk a little bit about insurance, of course. I am pleased this is uninsured week, that we are focusing on that problem of uninsured folks. I think it is a great thing that we ought to be doing. There are some alternatives that we can pursue.

I have been particularly involved in the rural health care aspect, being from Wyoming where, of course, almost all of our health care is rural health care. We have had good results in our Medicare bill that was passed last year. We have equity pay for the providers in that bill. We have assistance for those serving underserved areas. We have a number of things that are very necessary. I am pleased they are there.

We have been focusing on Medicare, of course, because that is the Government's responsibility directly. We have made some good progress on that. Among other things, we seek to help seniors with pharmaceutical costs. We have a program out there. I am a little disappointed the minority leader is nothing but critical of it. It is out there and we ought to be trying to make it work now rather than trying to oppose it for political reasons. I think that is a mistake.

There are opportunities out there for the elderly to enjoy a considerable amount of assistance, particularly low-income people, with the \$600 assistance in addition to a 20-percent reduction. The fact that there are 70 cards out there—all you have to do is call 1-800-Medicare and get the advice that is necessary to do it. I wish we could support something instead of totally always being critical.

In any event, we have worked on those, and I think it is time that we

look, now, at the broader aspects of health care. That includes many other things. We have a great system. We have probably the best health care system in the world. However, if that system gets in the position where access is limited by the costs, then of course we are not making it possible for everyone to participate. That is really where we are.

The costs of health care have increased substantially. There are lots of reasons for that. One of them is the new equipment that is being used, which everybody wants to take advantage of, of course, because it is the high-tech stuff.

Another reason, obviously, is the liability problem we have tried to address on the floor a number of times, and we have not been able to move past the obstructionism on the other side. The liability problem not only results in the cost of the liability insurance going up, but it also results in having more testing, more specialists, more costly health care simply to avoid the opportunities that people might have to sue. So there are a lot of things.

I had the opportunity not long ago to talk to the management of one of the largest hospitals we have in Wyoming. It was interesting when the financial officer broke down the situation with regard to the funding. First, he talked about the billing level, which, of course, is quite above the cost level because they need to bill some more than it costs to make up for those who do not pay. But the point was, they broke down the number of people who were there, the number there in Medicare, the number there on Medicaid, the number that had their own insurance, the number that were uninsured, and the emergency ones. Part of the problem is Medicare is not paying the full cost, Medicaid does not pay much of the cost at all, so then you get to the uninsured and, of course, many of them do not pay, are not able to pay at all, and you have the emergencies, so what happens? It goes to those of us who have insurance.

As I go about my State talking to people, I hear more about the cost of health insurance than anything else that you talk about in a town meeting. It is largely because of some of those shifts there.

As has been pointed out, we have over 40 million Americans who do not have health insurance, and that is unacceptable. We need to do something about that. The cost of health care—of course we ought not to forget that continues to grow almost unchecked. It has grown to \$1.6 trillion in 2002, a 9.3-percent increase over the previous year. You cannot keep having a 10-percent increase in these costs and yet be able to deal with them. The health care cost portion of the gross national product in 2002 was nearly 15 percent, up from 14 percent the year before.

This is part of it that we ought not forget—the cost of health care. We ought to look at the costs as well as

who is going to pay. Unfortunately, that is about all we ever talk about—who is going to pay. There is more to it than that. These rates cannot continue to grow at that rate.

We have had a considerable amount of planning in our State with respect to the uninsured. We had a group—I am glad there has been a task force here, and we have about 14 percent of our people in Wyoming who are uninsured.

It is largely because of the cost. We have a number of things, however, that have been suggested which I think we ought to take a look at. There are some important special recommendations.

We could expand public programs such as Medicaid and CHIP. The minority leader was just talking about the CHIP program and why it should be such a surprise since it has been there for a good long time. It is one that the States participate in funding. We need to do that. It needs to be funded at the full level by the States.

We need to provide a buy-in option for public programs so people have an opportunity to buy into these programs that now exist. We need to increase the reimbursement for public programs. They are not paying their share. Therefore, private insurance goes up, and those people who can't afford it or even come close to affording it are even less likely because it has gone up more.

We need to target tax credits and Federal subsidies. I think tax credits are valuable. That would allow people to take a higher crisis sort of a policy.

Community health centers that deal with people who aren't able to have insurance and need help is an excellent way to deal with this.

Of course, we need to do something to help participation of employer-sponsored programs. That is not the only answer because a lot of people are self-employed.

Of course, we also need to push for personal responsibility for health. An interesting program has been talked about in Wyoming. It is a group called the "Be Well Program." They would deal with employer groups that cover their employees. The employees would sign an agreement to keep up their own health, to exercise, and do some of the things that we all talk about and which not everyone does. That would be a condition of being insured. It is already in a couple of contracts.

There are a lot of things to do, and the task force has a number of ideas. I think we need to move forward to try to do some things. Most of us I don't believe favor a socialist program where the Government runs all of the health care programs. That is evidently not the kind of thing we want to have because all of the Canadians would come here.

But, nevertheless, there needs to be a program that gives an opportunity for people to fully participate. I am delighted that we are moving forward with it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. TALENT. Mr. President, thank you for recognizing me. I came out on the floor to talk for a few minutes about the health care task force, and particularly about association health plans or small business health plans.

I am very pleased that we are talking about the health care task force report. I want to talk a little bit about the drug discount card in part because I think it is important that we talk about it. I want my senior citizens to be aware of this benefit and to use it. I think it is something everyone ought to consider. For many of them, it is going to be the relief they have been looking for many years.

I want to say that it is hard for me to understand these attacks which are occurring on a fundamental level against the discount card. Without question, this card is going to provide relief to tens and tens of thousands of people who have been choosing between the other necessities of life and their prescription drugs.

There are 200,000 senior citizens in the State of Missouri today who are buying prescription drugs entirely out of pocket. It is not very good for them for two reasons: In the first place, they are buying entirely out of pocket. They are paying for it entirely on their own. In the second place, they are paying the highest price entirely on their own. When they walk into the pharmacy to get prescription drugs, they are facing the prescription drug companies alone. They are not part of a broader pool that has purchasing power and is able to negotiate a discount over the sticker price of the drugs. So they are paying the highest price, and they are paying it entirely out of pocket. Many of them are the poorest senior citizens. As a result, they do not get the prescription drugs. They get sick, or they take every other pill.

I have talked personally to scores of people like that over the years. I had a hearing of the Aging Committee that Senator GREGG was kind enough to let me hold in Missouri. I had senior citizens come and testify.

Everybody in the Senate is familiar with this. This discount card is going to provide relief. Seniors are going to have access to a variety of cards that will give them discounts off the prescription drugs. For lower income senior citizens, those receiving retirement of less than \$1,000 a month, they will get \$600 from the Government toward the price of the discounted drugs. The average price, which it is for prescription drugs, for senior citizens is about \$1,400 a year for prescription drugs. That person in Missouri right now is paying the entire \$1,400 out of pocket, and probably more than that since they are paying the highest price. With a card, they will go into the pharmacy, the pharmacist will swipe the card through the machine and say: For your Lipitor, which was costing you \$80 a

month, under this card it costs you \$65 a month. The first \$600 of that this year the Government is paying for it. Instead of paying \$1,400, which you couldn't pay—they get nothing, is what it comes down to—they end up getting a \$200 or a \$300 discount, and the Government pays \$600 off of that, and they can afford not to get sick anymore.

I think that is pretty important.

I understand the concerns on the other side of the aisle that this bill isn't Government-dominated enough. I recognize that. They are saying basically this is federally subsidized, but they are buying the prescription drugs from private organizations. That is not a good thing. It is true. This is federally subsidized, but we are buying the prescription drugs from private companies.

There is a word for a Federal health care plan that pays for health care costs of senior citizens so that they can go to private companies and get health care services or goods. Do you know what the word for that is? Medicare. That is what Medicare is. When Medicare was set up in 1965, the Government could have gone on and done what it has done with the VA health care system—buy or build new hospitals, hire physicians, and run the whole thing as a Government organization. We didn't do that. What we did instead was set up a system where we would pay for the cost of Federal health care, but seniors would have a choice of private providers if they wanted. That is what this prescription drug plan is about, what it is modeled after.

It is going to help tens of thousands of people in my State of Missouri at a minimum.

I hope we can get behind it and make it work as well as we can possibly make it work.

Let me switch now to talk a little bit about the health care task force which addresses another huge problem; that is, the rising cost of health insurance premiums.

There are a number of things in this health care task force report. I recommend it to every Member of the Senate.

One of the key things about it is that it is designed to attack the trends in the system which are driving those costs up. I really like this. It is time for us to stop concentrating on how we can keep feeding this beast and start getting the beast on a leash, if you will.

It is fine to subsidize the cost of health care for people who can't afford it. I certainly support it. I just talked about prescription drug costs. But we also need to bring down the costs of health care. There are a lot of things in this report that are designed to do that.

Liability reform is one of them. Another is the emphasis in the report on the use of information technology, which is very important. Health care is behind in information technology. If we can get the same kind of architec-

ture of technology in health care that we have in other parts of the economy, we have the potential to save tens of billions of dollars.

There is important regulatory reform in the bill that will lower cost.

I met with a bunch of nurses and nursing students at Southeastern Missouri University and asked them what their big concerns were about health care. I was really surprised. The thing that bothers them the most is the amount of time they have to spend in filling out forms to comply with the oversight of one group or another. It is very demoralizing, and it raises costs.

The task force also includes associated health plans, which I want to talk about briefly.

Of the people who are uninsured—there are about 43 million—two-thirds either own a small business, work for a small business, or are a dependent of someone who owns or works for a small business. We can ask ourselves, why is that? Is it because small businesspeople are more chintzy than big businesspeople? Small businesspeople and farmers do not care about their employees as much as the larger businesses? They do not want to buy health care? That is one possibility. But I don't think it is true.

The reason many of these people, working people who work for small businesses, are not getting health insurance is that costs for buying health insurance are higher for small businesses than they are for bigger businesses because the administrative costs cannot be spread across as big a pool. The costs of getting health insurance for someone who runs a small business are about three times per employee what they are for someone who runs a big business.

Small business health plans allow small businesspeople to pool together through a national trade association and get health insurance as part of a big national pool.

My brother owns a Little Tavern restaurant. It is a great place. I have talked about it before in the Senate. If anyone is ever in the St. Louis area and wants a good hamburger, give me a call and I will give a recommendation. My brother has a little restaurant. He could join the National Restaurant Association and become like a little division of a big company. He would get health insurance then as part of a 10,000, 20,000 or 30,000-person pool, the same as the employees of Anheuser-Busch, which is located in St. Louis, or the employees of Hallmark, which is located in Kansas City. It will lower his costs 10 to 20 percent by reducing the administrative costs. It would not cost the taxpayers anything because we are not feeding that beast with tax dollars. We are empowering people to put the beast on a leash to reduce costs that are driving up health insurance premiums without adding anything to quality or accessibility.

There is no reason we should not do this. I am pleased it was included in

the task force report. We worked on it. I hope we can get it, along with the other things in this report.

We have to remember that as the Democratic leader was saying, if Americans are working and do not have health insurance, or they have health insurance and these costs continue to go up, this is the No. 1 thing employees worry about as far as their job is concerned. I have had a lot of folks in the last recession—and I am pleased we are coming out of this now—who lost jobs and said to me, We have families; we have to get our health insurance back. It is very difficult to provide it when premiums go up and up and up all the time.

We can do something about it. There are a number of different ideas out there. Many of them are in this task force report. I commend it to the Senate. It is time to get these things done. We can all come down here and talk about stories back home of people who are suffering because of this situation. We need to get something done. It would be a huge step forward if we all said we are going to sit down as a group, we will work something out, we will agree beforehand we will not filibuster everything because we do not like this particular aspect of the package or that particular aspect of the package. We are not going to take small things we disagree with in a bill and treat them as if there is some enormous attempt by people—whom we disagree with honestly—to do something that is venal or wrong. These problems are big enough to solve if we try to stick together and agree where we can agree and disagree reasonably where we do disagree. They will be impossible to solve if everything becomes a subject of some kind of a political attack.

I appreciate the time of the Senate and I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. CORNYN. Mr. President, I commend the Senator from Missouri for his advocacy on the part of his constituents and, indeed, all the American people, to make sure more have access to good quality health care.

I will talk about the work of the task force created by Majority Leader FRIST, which was chaired by Senator JUDD GREGG of New Hampshire. This work, over the last number of months, promised a lot in terms of new ideas and new approaches. It will help make sure health care is accessible to more Americans.

It is amazing, but we spend in this country somewhere between \$1.4 trillion and \$1.7 trillion on health care. That is a lot of money, even in Washington. Most people cannot even get their minds around what \$1 trillion is. I promise you, I cannot. But I do know that is an enormous amount of money.

If we ask people who should know about it, they will say there is enough money in the health care delivery system in the United States of America to make sure everyone has access to

health care. The problem is what we call sometimes a "health care system" is not a system but a patchwork of different delivery methods. It is a local taxing jurisdiction, hospital districts, using property taxes in some States, of course supplemented by other taxes, and of course there is Federal Government-provided health care available, partially, at least, through the CHIPS Program, through Medicaid and through Medicare.

We do know there is a tremendous challenge to make sure everyone in this country has access to good quality health care. Those who do not have health insurance represent one of the biggest challenges. One of the things we have learned is this is not so much a challenge of getting everyone insurance. The real question is, How do we make sure everyone has access? Even for those who do not have health care insurance, we need to make sure they have access to health care.

Right now the irony is the Federal Government has already gotten into this area and mandated if you have nowhere else to turn for health care, you know you can always show up at the local emergency room at your hospital and get that health care provided. If you cannot pay for it, it is provided without charge to the patient. The problem is, in many major metropolitan areas on any given Friday or Saturday night, when the demands on the emergency room are great, many emergency rooms are on divert status, which means they cannot take any more patients because they are full.

However, 80 percent of those people being treated in emergency rooms could be and should be more humanely, more efficiently, and less expensively provided health care in some other setting—in a clinic, for example.

One of the most amazing things about our health care delivery system in our country, while we do compensate—although some argue it is not as generous as it should be—we do compensate health care providers for providing health care to people after they are sick, we do a pretty lousy job of trying to give people access to what they need in order to prevent their getting sick.

We have made good strides forward with the Medicare bill we passed last year to provide prescription drugs to many seniors who did not have that. Of course, this Medicare discount drug card Senator TALENT talked about is an interim step that leads to the full implementation of that program in a couple of years when the vast infrastructure can be created to deliver that system.

For example, for someone who has not previously had access to a drug like Lipitor, one of the statin drugs—and there are a number of them; that is just one trade name—that perhaps can prevent someone from having to have more expensive, invasive, and dangerous surgery, either bypass surgery or angioplasty or perhaps placement of

a stent, or something that costs a lot of money to treat if the basic cause that could be prevented is left untreated through the use of prescription drugs.

We have made a great step forward to broaden the number of people, to increase the number of people preventive measures are available to. That is smart. We ought to continue along that trend.

Mr. President, I ask to be reminded when I have 1 minute remaining of my time.

One of the things I believe is a great safety net in this country, that I have come to learn about and see used so well in my State, is federally qualified community health centers. The great thing about community health centers is they provide clinical—that is, non-emergency room—access to health care in your neighborhood, where you pay based on a sliding scale, based upon your ability to pay. These are actually designated health centers by the Federal Government. They have access to a number of important programs, for example, the Federal 340B Discount Pricing Program. This task force recommends that program be expanded to more people, so we can bring down the price of prescription drugs.

But these community health centers provide, on a sliding scale, access to care in one's local community, which I think is very important. I was told by the head of Parkland Hospital, one of the largest public hospitals in Dallas, TX, for example, that people show up in the emergency room to have a baby, where they have no health insurance. Because they have no health insurance, and may never have seen a doctor before they show up in the emergency room, the risk of injury to that baby—either it being born prematurely or some other health risk—goes up exponentially.

Even though they do not receive any income for it, Parkland Hospital routinely provides prenatal care for mothers, on a free basis, even though they do not get a penny paid by that pregnant mom. One reason is because they know the cost of 1 day in the neonatal intensive care unit at the Parkland Hospital costs about \$10,000. Now, of course, I would like to say we would do that from our sheer desire to see healthy babies, but, unfortunately, money drives access.

My point is, in this instance what Parkland Hospital, in Dallas County, has decided to do in a way to help control costs is to ensure more healthy babies are born who do not need access to the neonatal intensive care unit, as they provide free prenatal care to these pregnant moms. But community health centers can make sure this pregnant mom has access to somewhere other than the emergency room of the hospital in which to get that important prenatal care.

We also would increase, as part of this task force report, the number of medical volunteers by extending crit-

ical Federal tort claims act liability coverage. This is an area that I think is very important.

The PRESIDING OFFICER. The Senator has 1 minute.

Mr. CORNYN. That is very important because the medical liability crisis in this country does not only hurt doctors and hospitals, but it hurts patients who are denied access to health care. One of the issues we have to deal with—I know the leader has brought it up several times, and we have been unable to get 60 votes to get an up-or-down vote on the merits of the legislation—is medical liability reform.

Whether it is increasing access to specialty care, increasing the number of federally qualified community health clinics, increasing access to prescription drugs by extending the Federal 340B Program, or creating an exemption so religiously sponsored health systems can create community health systems, integrated health systems, we have to do something about this crisis in this country. It is a crisis of access, not only of insurance. But I think we are well on our way to a good start.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

ORDER OF PROCEDURE

Mr. REID. Mr. President, how much time is remaining on the side of the Democrats?

The PRESIDING OFFICER. There is 20 minutes.

Mr. REID. Mr. President, I yield 5 minutes to the Senator from Oregon, Mr. WYDEN, and 15 minutes to Senator STABENOW.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 5 minutes.

HEALTH CARE

Mr. WYDEN. Mr. President, I have always believed health care policy needs to be bipartisan, and needs to be ideas driven. So as we talk about health care, I come to the floor to mention an idea our colleague Senator KERRY has talked about which I think is especially promising for small business.

The reality is, a very high percentage of the uninsured work in small businesses. These small businesses are dying to cover their people. The owners of those small businesses do not get up in the morning and say: We want to be rotten to our workers in not giving coverage. They are dying to figure out ways to help their small businesses.

Senator KERRY has come up with an idea that I think is really innovative. He has said, given the fact resources are scarce, that dollars for trying to address the uninsured, the needs of our small businesses, are restricted, we ought to target those dollars where they are needed the most. He has proposed the Federal Government, with