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Senate

The Senate met at 9:30 a.m. and was called to order by the President pro tempore (Mr. STEVENS).

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

O God our rock, exalted above all blessings and praise, the host of Heaven worships You. Today we praise You for the opportunity of serving our country in the Senate. Incline our hearts to do Your will and set a guard over our lips. Help us to see the path You desire us to take as You teach us to do Your will.

Lead our Senators. Revive them so that they will face each challenge with an inexhaustible faith. Direct their steps by Your word and let no evil dominate them. May their faith have feet and hands, a voice, and a heart, that they will seek to serve You by serving others.

Help each of us to strive for truth, justice, and peace. May the lofty ideals we profess shine in our faces and be seen in our lives.

We pray in Your wonderful Name. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, this morning we have set aside the first 30 minutes for a period of morning business. We will then proceed to consideration of the Labor-HHS appropriations bill. Senator SPECTER has commitments from several Senators this morning to come offer their amendments. In addition to those to be offered, we already have several pending from yesterday. We will be calling rollcall votes throughout the course of today to dispose of these amendments, and we will announce when Senators can expect those votes.

I remind my colleagues that a cloture motion was filed last night on the Labor-HHS appropriations bill. That cloture vote will occur on Thursday morning. Under rule XXII, Senators have until 1 o'clock today to file their first-degree amendments at the desk. We will finish this bill this week. It is up to the Senate to decide if we are going to be here late Thursday or Friday, but we will finish the bill. If Senators are reasonable in their requests for amendments and debate times, we may well be able to finish tomorrow; if not, we will continue on Friday to finish this final appropriations bill. Again, I congratulate all of our colleagues for sticking together and systematically going through each of the appropriations bills over the last several weeks.

Mr. REID. If I could direct a question to the distinguished majority leader, it is my understanding we are not going to recess at 1:45 for Negroptone. People can go or not, and we will still continue Senate business.

Mr. FRIST. That is correct. We will continue working today. Again, I want to restate the conversation that the distinguished Democratic leader and I had yesterday regarding these votes over the course of the day. We want people to come over on time so we can proceed in a disciplined, orderly way. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will be a period for the transaction of morning business for up to 30 minutes, with the first half of the time under the control of the Democratic leader and the second half of the time under the control of the majority leader.

The Senator from Washington is recognized.

MEDICARE PRESCRIPTION DRUG PROGRAM

Mrs. MURRAY. Mr. President, I am here this morning to talk about a dangerous flaw in the Medicare prescription drug program that is about to take effect. This flaw is a ticking time bomb for more than 6 million Americans, for our communities and our health care providers. That fuse is going to detonate on January 1.

We cannot allow low-income seniors and the disabled to lose their direct coverage. We cannot leave our doctors and hospitals and nursing homes unprepared for the biggest change in decades. And we should not be pushing hundreds of thousands of people who need care onto our local communities. We can't wait. We have to fix this problem today. That is why I will be offering an amendment later this morning.

I have been working with Senators ROCKEFELLER and BINGAMAN to address the immediate crisis. I thank them for their leadership. I have also introduced my own bill to protect our most vulnerable. It is the Medicare HEALS Act, S. 1822.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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I have been traveling around my State. I have been meeting with people in Seattle, Lakewood, Yakima, Aberdeen, and Olympia. I want my colleagues to know, everywhere I go, people are angry and confused. And they are very worried, with good reason.

One senior told me:

Everyone I have talked to is totally confused—my doctor, my pharmacist, even the Medicare number you are supposed to call.

Another one said:

If we can't understand this, this whole [Medicare] plan is going to fail.

Everywhere I went, people were confused. There were questions that I couldn't answer. When I turned to the doctors sitting next to me, they didn't know the answer. And neither did the pharmacists or the patient advocates. If Senators and doctors and experts do not understand this, how can we expect an 80-year-old person with serious medical problems to understand this complicated new program? We can't. So we need more time and more resources to make this prescription drug plan work.

One person I met with said:

Please give us more time. Give us the chance to understand this so we don't make a mistake when we sign up.

One panelist told me:

Taking away something from those that need it the most . . . is not the American way.

I couldn't agree more. That is why I am here this morning to talk about this, and that is why I will be offering an amendment shortly after we go to the bill.

I have many concerns with the Medicare prescription drug law. I voted against it in 2003 because I believed that seniors deserve better and that America can do better than that. I am concerned about the complexity, the coverage gap, whether needed drugs will be covered. I am concerned about retirees losing the good coverage they have today. And I am concerned about the late enrollment penalty that is going to punish seniors who need more time to pick the right plan. I am working with many other Senators to address all of those concerns. But today the most urgent problem is the way the new law treats our most vulnerable people, people with low incomes, the disabled, and those facing serious medical challenges like AIDS.

This law takes away the critical drug coverage these people have today and puts them into a new program that could charge them more money in exchange for less drug coverage. If they don't sign up for a plan, they are randomly assigned one. Either way, the prescriptions they need may not be covered. Because these Americans are living on the financial brink, an interruption of their drug coverage or a new copayment could keep them from getting the drugs they need to live on. The people who are being affected don't know what is going to happen. The doctors and pharmacists, they don't understand it either. This entire mess is

going to burst into the open on January 1. We need to take action to prevent this catastrophe now because it is only a few months away.

To understand this problem, let's look at how our most vulnerable get their prescription drugs today and how that is about to change. Today, about 6.4 million Americans with low incomes get help from two programs: Medicare at the Federal level and Medicaid at the State level. These individuals are sometimes what we call dual eligibles because they are eligible for assistance from both Medicare and Medicaid. What Medicare does not cover, the States usually cover. For example, the Federal program did not cover prescription drugs. The State programs filled in that gap. The State coverage is often called wraparound coverage, and it is critical for our most vulnerable families. As a result, these individuals get the drugs they need, often without copayments or deductibles.

But there is a big problem coming January 1. The new drug program prohibits States from providing the extra help they do provide today. Instead, what it does is move these people into the Medicare program alone, which will require higher out-of-pocket payments and which will most likely cover fewer drugs. To me, it doesn't make sense to take away the good coverage that vulnerable families have today, force them into a program that might not meet their needs, charge them more money in the process, and then prohibit our States from helping out these most vulnerable people. It doesn't make sense, but that is exactly what this new drug program will do unless we fix it before January 1.

In fact, the new Medicare prescription drug program changes the coverage of our most vulnerable in five ways: It imposes higher costs—those are premiums, copays and deductibles; it covers fewer drugs; it blocks States from providing extra help as they do today; it provides no transition period to ensure that these low-income residents don't face these gaps in coverage; and it penalizes people who need more time to pick the right plan for them.

These are real people we are talking about. I want to introduce two of them. Earlier this month in Seattle, I met a woman named Kathryn Cole. She is 36 years old. She is disabled, and she is living on Social Security disability. She fills about 15 prescriptions each month, and her monthly income is \$757. She told me:

Even if the copay were only \$5, that adds up to \$75 a month. I don't have the kind of extra money to squeeze out of my budget.

Kathryn asked me:

Which week am I supposed to not eat?

People like Kathryn are living on the financial edge. They cannot afford to pay more for their medication. They need our help. In Olympia, WA, I met a man named William Havens. He is 50 years old, living with HIV/AIDS. He takes 43 pills a day. William told me:

For the first time [in my life], I realize I'm going to have to make a choice between pills and food.

It is outrageous that this new law is going to make life so much harder for people like Kathryn and William. In addition to hurting people, the new drug program is going to hurt our health care system. It is going to have a costly impact on nursing homes, doctors, pharmacists, and hospitals. Many of these dual-eligible individuals live in nursing homes. Now nursing homes are going to have to navigate all these new plans out there.

In my State of Washington, there are at least 14 of these new plans. Some States have as many as 40 or more, all with different costs and different formularies. Nursing home managers are going to have to see which plan each resident has been assigned to and if their needed drugs are covered.

In Olympia, I met with a Dr. David Fairbrook. He is in private practice, and he is also the medical director of two skilled nursing facilities which care for 150 people. He was very concerned about his patients being randomly assigned to plans that don't meet their medical needs. He said patients may be denied drugs. They may be forced to change their medications, and they could face a time-consuming, stressful appeals process. He predicts there will be "chaos for nursing staff regarding coordination of multiple suppliers. It further duplicates paperwork and documentation requirements."

That is a tremendous new administrative burden for understaffed and underfunded nursing homes and care providers who care for people we know—our parents, grandparents, sisters, and brothers.

That is who is going to be affected by this new law if we don't take action.

Unless we act, the new program is going to make the work of our pharmacists across the country much harder. They are literally going to be on the front lines. They may well be forced to deny coverage to seniors. And by the way, each one of these pharmacists has to go in contract with each of these new drug plans in their States.

Now CMS is telling us that pharmacists will be able to look up and see what plan someone has been assigned to. But frankly, I have to say, given the error and the mistakes CMS has made so far, I don't have a lot of confidence that this is going to be a flawless situation in transition. Remember, the people who will be hurt have no financial cushion. They are living on fixed incomes and they don't have an extra \$20 or \$30 for copayments or premiums. If they are turned away at the pharmacy counter, they do not have the money to pay for those drugs now and get reimbursed later when all the paperwork is sorted out.

Doctors are going to be on the front line in this, too. Doctors are going to have to know which drugs are on the formulary. They may have to help patients appeal any denials, and they will

have to treat patients who have gone without their medicine.

One doctor told me, "Doctors don't have the information they need on this yet. If patients pick the wrong plan and their medicine is not covered, it can have serious medical harm."

Hospitals are also going to be affected. They are going to have to navigate all of these new plans. They are going to have to deal with patients who haven't been able to get their prescriptions. In fact, for many poor families, the only place to get these medicines will be the emergency room, and that is going to increase the cost of health care for every single one of us.

So as you can see, this new drug law is going to impose an expensive and very confusing administrative burden on our doctors, on our pharmacists, on our hospitals, and our nursing homes. In this country I think we can do a lot better than that.

The amendment I will be offering today says let's fix this problem before people realize they can't get the prescriptions they need. My amendment simply provides emergency funding to prevent this disaster.

First, it ensures that our most vulnerable don't lose their current drug coverage. It will provide \$2 billion in emergency funding to make sure our low-income seniors do not lose their benefits or suffer a gap in coverage. That money will allow our States to help the low-income residents they have, people who currently get help from State drug assistance programs, and people being helped by AIDS drug assistance programs.

My amendment will protect our most vulnerable, including any beneficiary with income below 150 percent of the Federal poverty level and any beneficiary currently eligible for Medicaid through "spend down" requirements.

It is going to give our States the flexibility to protect the people who live in those States. States could provide coverage through Medicaid or as a separate drug assistance program. And importantly, my amendment provides accountability. States will be required to notify CMS of their plan for ensuring no lapse in benefits for low-income beneficiaries.

Secondly, my amendment ensures that everyone knows about the changes that are coming. It requires States to notify those currently eligible for Medicaid and Medicare assistance. I can't tell you how many people I talked to when I was in my State who said: I have not been notified that I need to make a change. No one has told me. And yet we are 2 months away from them being assigned a plan.

States would also notify pharmacists. They would notify community health centers, rural health clinics, hospitals, critical access hospitals, doctors, and other Medicaid-eligible providers that assistance is available.

Providers will be allowed to seek reimbursement for any uncompensated costs associated with providing medically necessary drugs to these people.

In summary, my amendment simply protects our most vulnerable and makes sure that everyone involved knows what is happening.

This new Medicare prescription drug plan that has been passed has a lot of problems, but the most urgent one is what is going to happen to our most vulnerable patients and the difficulty it will cause our health care providers such as hospitals, nursing homes, doctors, and pharmacists. Time is running out. As of January 1, millions of vulnerable Americans are going to be forced into a new system they haven't been told about, they don't understand, and it will not meet their needs. We can avoid this train wreck. Senators who are concerned about the health and well-being of their own constituents but who are concerned about the costs have other options. We can support efforts on the reconciliation to provide additional time to transition into this plan and we can make changes to the Medicare Modernization Act to let the States provide coverage they have available through Medicaid during this transition.

No matter what, this is a problem. Either we spend the money now to prevent this crisis, I warn my colleagues, or we are going to have to push back the deadline so we can make this transition smoothly. People's lives are hanging in the balance.

I urge my colleagues to stand up today for those who don't have a voice, and for the doctors, hospitals, pharmacists, and nursing homes, and give them the relief and protection my amendment provides.

I will be offering this amendment in the Chamber today and I urge my colleagues' support.

I thank the Chair. I yield the floor.

The PRESIDENT pro tempore. The Senator from Idaho is recognized.

BUDGET RECONCILIATION

Mr. CRAIG. Mr. President, I come this morning to speak about a need for fiscal responsibility. Over 200 years ago, George Washington warned that "Government is not reason. It is not eloquence. It is force. Like fire, it can be a dangerous servant or a fearful master." Even when government functions properly as a servant, Washington observed, it is dangerous.

Mr. President, I rise today to talk about—and to urge a need for something to happen in this Senate and in this Congress—fiscal responsibility. While Congress has been talking about spending measure after spending measure over the past several weeks, Americans have been talking about Congress' loose spending of their tax dollars. What many lawmakers have referred to as the fiscal policy of the Government has come to mean nothing more than the Government's dangerous tendency toward fiscal recklessness.

Fiscal responsibility is premised on the simple concept that less is more. Less government spending means more

freedom for individual Americans and increased levels of economic activity and rates of economic growth for the country. Several studies confirm this.

A Public Finance Review study indicated that: "Higher total government expenditure, no matter how financed, is associated with a lower growth rate of real per capita gross state product."

A study by the Journal of Monetary Economics found that: "There is substantial crowding out of private spending by government spending. Permanent changes in government spending lead to a negative wealth effect."

And an International Monetary Fund study showed that: "Average growth for the preceding 5-year period was higher in countries with small governments both periods."

The cumulative evidence in these studies suggests one important thing—government spending hampers the economic growth of our country. Even more than this, the growth of government spending is economically destructive.

Every dollar the government spends is one taken from an American, and is one less dollar in the productive, private sector economy.

Every dollar the government spends to fund agencies imposes large costs on the economy's productive sector, no matter how small the agency.

Every dollar the government spends on programs such as welfare and unemployment insurance encourages bad behavior by providing incentives for Americans to remain unemployed and choose leisure over work. Every dollar the government spends this way goes to making Americans passive supplicants rather than active citizens, particularly at a time when the number of those dependent on the government is growing and the number supporting it is shrinking.

We have been seeing those numbers talked about over the last good number of years—who is taxed and who is not, who is paying in to the Government versus who is not. We are now edging toward 50 percent of the American people not paying taxes, and yet we still hear this great debate in the Senate about, well, the tax cuts are only for the wealthy. The tax cuts are for people who pay taxes versus those who do not pay taxes. There is a very important reality check that has to occur out there.

When I am home visiting with folks at our town meetings and I say a family of four making \$27,000 to \$30,000 a year does not pay Federal taxes anymore, that is a fact. Yet somehow we get this rich versus poor debate in this Chamber. It is really those who pay taxes versus those who do not pay taxes and become the recipients of the largesse of Government.

Every dollar the Government spends to subsidize both health care and education distorts competitive processes in the marketplace and makes States increasingly more dependent, and their budgets become distorted because they are the ones that have had that historic Government responsibility. Every