

Mr. Speaker, what State Farm says is, well, you weren't there when it happened, so we don't know how it happened. So unless you can prove to me that it wasn't a flood, we are not going to give you a dime.

Now, this leads to a couple of things. Why should a person have to stay in their home during a hurricane to get some fairness. I thought we put satellites in the sky. I thought we put buoys at sea, I thought we had the hurricane hunters fly planes into hurricanes to give us the warning to get the heck out of there. To encourage people to stay behind is only to encourage people to die. And yet the only people in south Mississippi who really got fairness from the insurance companies were the ones who stayed behind and miraculously lived, because they were an eye witness.

So we need all-perils insurance throughout our country.

The second thing. The insurance industry that told the Chapotons and the Haddens and the Benvenuttis now have the privilege of calling each other up; State Farm could call Nationwide, and say, you know what, I am not going to pay; don't you pay. And it is perfectly legal because they are exempt from the antitrust laws. That needs to change.

Lastly, because there is zero Federal regulation of the insurance industry, at this time there is absolutely nothing that I or any other Member of Congress can do about this. It is my hope that in the coming weeks we will fix all three of those problems.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

MEDICARE PRESCRIPTION DRUG BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ENGLISH) is recognized for 5 minutes.

Mr. ENGLISH. Mr. Speaker, I first want to congratulate the Speaker for the opportunity he has to preside today. Congratulations.

Mr. Speaker, 3 years ago, Congress passed a Medicare bill that for the first time created an opportunity for many seniors to have access to strong, valuable and persistent prescription drug coverage. Although the legislation was a compromise, and in places an imperfect one, this program has proven to be a success, working for seniors with a range of circumstances and particularly valuable resource for seniors of the most limited means, many of whom are in my district.

It falls on us in this Congress to consider ways that we can further strengthen this benefit. Unfortunately,

the legislation that we have debated today, H.R. 4, is a huge and real step back and is less of a policy than a bumper sticker.

As a member of the Ways and Means Health Subcommittee, which has jurisdiction over this program, I am deeply disappointed that we had no hearings, no discussion and no opportunity for amendments to produce a real pricing reform bill with teeth and with nuance. While part D is not perfect and can be improved, it is our fundamental responsibility to put in place a policy that might build on the successes of the program, and they are substantial.

Independent estimates for the Medicare part D prescription drug benefit for the fiscal year 2008 budget cycle show that net Medicare costs are 30 percent less, about \$190 billion lower than were originally predicted when the benefit was created in 2003.

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In addition, based on strong competitive bidding by health care plans for 2007, average monthly premiums will be approximately \$22 for beneficiaries, down from \$23 in 2006 if enrollees remain in their current plans. The initial estimate for 2006 premiums was \$37. CMS has indicated that beneficiaries are saving on the average of \$1,200 annually on their drugs, and these are achievements that must be preserved.

Many people in my district like the idea of the legislation which the House Democrats put forward today. I understand how they feel. I have long felt that we could improve on the existing policy and the existing process. But what I found was that the Democrats' plan is more of a political stunt than a solution. And it isn't at all a prescription for real reform, and it is, at best, a placebo, but one that could actually reduce the benefits and the coverage for many individual seniors. To understand why, we need to recognize how much this proposal has been criticized. Even leading liberals like Urban Institute president Robert Reischauer and Brookings Institution senior fellow Alice Rivlin have expressed real qualms about an initiative that limits choices for seniors by putting government bureaucrats in charge of setting prices for prescription drugs. Reischauer recently said to The Washington Post: "People were worried no private plans would participate. Then, too many plans came forward. Then people said it's going to cost a fortune and the price came in lower than anyone thought. Then people like me said that they are low-balling the prices the first year. They will jack up the rates down the line. And lo and behold, the prices fell again. And the reaction was, we have got to have the government negotiate lower prices. At some point you have to ask, what are we looking for here?"

Rivlin stated: "It's not clear that a government, particularly this government, would get a better deal from the drug companies by direct negotiations

than the drug plans can get on their own, and it might have some negative consequences."

We also want to recognize that the new majority has claimed that their proposal will provide significant savings, when, in fact, the CBO, non-partisan, has announced that H.R. 4 would in their view have no budget savings and a negligible effect on Federal spending.

The reasons why I felt, as an advocate and caretaker for this program, obliged to oppose H.R. 4 are clear: one, this measure is not going to generate savings for the consumer; two, government price-setting will only drive drugs out of the program and reduce seniors' access to critical drugs that may be central to their treatment as individuals.

This plan could potentially, three, limit seniors' access to their community pharmacies. For many seniors, advice from their pharmacist is a critical service that they need to have access to to coordinate their drug uses and find the best coverage.

And, four, finally, this plan could lead to increased drug prices for America's vets.

Mr. Speaker, I believe we could improve on this legislation, and I will speak next week about some further ideas. I believe that there is a significant difference between the plan we have and the VA plan; and if we don't recognize those differences, we are going to shortchange seniors, and this bill that we voted on today will generate no savings. And I hope when it comes back from the Senate, that there will be an opportunity to substantially correct it, put teeth into it and create a real nuanced policy that will add to the successes of our part D program.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SCHIFF) is recognized for 5 minutes.

(Mr. SCHIFF addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

OPPOSITION TO THE RENOMINATION OF ROBERT HOGLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I want to express my concern this afternoon and my opposition, indeed, to the renomination of Robert Hogland by the Bush administration as U.S. Ambassador to Armenia. And I also want to take this opportunity to thank my colleague from New Jersey, Senator MENENDEZ, for his continued opposition to the nomination.

This makes no sense, Mr. Speaker. The Senate Foreign Relations Committee reviewed the nomination of Mr. Hogland, had hearings, asked extensive

written questions as followup in the last session of Congress, and it was clear that Mr. Hogland's nomination could not pass the Senate. In fact, could not even pass the Senate Foreign Relations Committee. It was essentially sent back to the administration at the end of the lame duck session. And I am, frankly, surprised that the President has renominated Mr. Hogland under the circumstances.

The problem continues to be, on the one hand, that the administration has not offered any meaningful explanation of the reasons for firing the last U.S. ambassador to Armenia, John Evans. We all know the reason why Mr. Evans was terminated. It is because he articulated the fact that the Armenia genocide occurred. Historically, the U.S. policy has been to, basically, announce and accept the fact that the tragic events of the Armenian genocide occurred. But when anyone within the administration actually calls it genocide, immediately they are seen as a bad actor, and consequences follow from that.

And Ambassador Evans came to the United States. He was out in California. He was involved one afternoon or evening in a discussion about the tragic events that occurred between 1915 and afterwards, and he used the term "genocide." It may sound like no big deal to anybody else, a historical fact that almost every government in the world recognizes, that the U.S. has historically acknowledged. But the very fact that he used that term incurred tremendous opposition from the Turkish Government. And from that day on, his days were numbered as the ambassador to Armenia, and eventually he was terminated and Mr. Hogland was nominated in his place.

Now, last session, the Senate Foreign Relations Committee considered Mr. Hogland's nomination. Mr. Hogland failed to adequately respond to the questions asked by the Senators and, I would add, this is on a bipartisan basis. This isn't a Democrat or Republican issue. This is on a bipartisan basis. The members of the Senate Foreign Relations Committee asked him a number of questions and Mr. Hogland would not clarify the U.S. policies denial of the Armenian genocide. In many instances he did not respond to specific Senators' questions, and he diverted his answers by responding with what seemed like prepared talking points and went to extreme lengths to avoid using the term "genocide."

Additionally, in response to a written inquiry from Senator JOHN KERRY concerning Turkey's criminal prosecution of journalists for writing about the Armenian genocide, Mr. Hogland referred to these writings as allegations.

Now, let me say, the U.S. has historically taken a leadership role in preventing genocide and human rights. But the Bush administration continues to play word games by not calling evil by its proper name in this case. Instead, they refer to the mass killings of

1.5 million Armenians as tragic events. That term, Mr. Speaker, should not be substituted for genocide. The two words are simply not synonymous. There are historical documents that show that the genocide cannot be refuted. But somehow the Bush administration continues to ignore the truth in fear of offending the Turkish Government.

Now, again, I don't think that our Nation's response to genocide should be denigrated to a level acceptable to the Turkish Government. And it is about time that this administration started dictating a policy for Americans, not for a foreign government like Turkey. This lack of honesty, in my opinion, by the Bush administration is simply not acceptable. The American people and this Congress deserve a full and truthful account of the role of the Turkish Government in denying the Armenian genocide.

Now, let me just say one more thing before I conclude this afternoon, Mr. Speaker. There is no way, in my opinion, that Mr. Hogland is going to be confirmed because of his policy, because of the fact that he continues to articulate a policy of denial. And I fear, myself, that it would make no sense to send an ambassador from this country to Armenia who cannot articulate the genocide. So I simply ask that this nomination be opposed again in the Senate, and the Bush administration realize that it can't submit it, and that they simply withdraw the nomination.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Ms. WOOLSEY) is recognized for 5 minutes.

(Ms. WOOLSEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

PASSAGE OF H.R. 4

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. HOLT) is recognized for 5 minutes.

Mr. HOLT. Mr. Speaker, I believe we have an obligation to ensure that our Nation's seniors have access to the world-class prescription drugs which have been developed to improve their quality of life and, in some cases, to save those lives. That is why I thought that the previous Congress did a disservice to our Nation's seniors when the flawed prescription drug benefit was created.

I want Medicare part D to work as well as possible for America's seniors, and that is why Congress needs to address the gap of drug coverage that occurs when a senior enters the so-called doughnut hole and does not get financial help.

I want Medicare part D to work as well as traditional Medicare, which does work well. I will soon reintroduce legislation to help those who have ex-

perienced the predicament of being stuck in the doughnut hole by increasing the types of expenses that are counted toward their total out-of-pocket costs. This will help seniors get through the doughnut hole.

Now, today, the House passed legislation to give seniors access to affordable medicines. I supported this legislation because I think we need to act to improve the drug benefit and ensure that our Nation's seniors are properly taken care of.

I am pleased that the legislation maintains the prohibition on formularies contained in the original 2003 drug benefit legislation. It seems to me that national formularies, to limit available medicines, would do more to undermine patient health than to lower costs and, therefore, should not be imposed.

I remain concerned that there is no such language concerning price controls. I don't think the government can effectively establish prices. The marketplace is the best place to set prices that will help ensure the continuing pipeline of lifesaving and life-improving drugs. Historically, price controls have proved to be an awkward, clumsy way to allocate goods and services under ordinary circumstances.

But I want to talk for a moment about the great research that is being done at a number of different pharmaceutical companies in my district, in my State and across America. Research and development is the lifeblood of America's economic growth. Let me repeat: research and development is the lifeblood of America's economic growth.

I am proud to be the founder and co-chair with the gentlelady from Illinois (Mrs. BIGGERT) of the Congressional Research Service and Development Caucus.

Now, every time this House acts, we should make sure that we protect the vibrant, path-breaking research that is occurring in the United States.

Now, there is a reason that we had a debate today on the prescription drug bill. We had the debate and the vote on this because the pharmaceutical research has been extraordinarily effective. Pharmaceutical companies have produced medicines that are not only very good for keeping people alive, improving their lives and reducing suffering, but medicines that were even inconceivable a decade or two ago. These medicines are truly a matter of life and death, and we would not be having this debate, but for the success of the pharmaceutical companies.

I don't want today's debate to leave anyone with the impression that this body wants to demonize the industry and make them stop doing their life-saving work. None of the drugs we hear about were created overnight. They took years of effort by thousands of talented researchers and scientists. Starting with maybe half a million chemical compounds after years of basic research, a company might end