as the Mayor plans to replace the city's fleet with hybrid cars by 2012.

The Joint Economic Committee recently released a report entitled, "Money in the Bank, Not in the Tank", which argues that we have to take the issue of improving fuel efficiency seriously.

America's cars were more efficient two decades ago when our fleet-wide average was 26.2 miles per gallon. Now, our fleet-wide average for cars and trucks has slipped to 25.4 miles per gallon. Clearly, we're going in the wrong direction.

And it's hurting our competitiveness—our nation ranks at the bottom of the list of industrialized nations when it comes to fuel efficiency.

In Europe, fuel efficiency averages around 40 miles per gallon and they're looking to raise it to 51 miles per gallon by 2012. Japan is trying to get to 50 miles per gallon by 2010 across their fleet.

If we raised CAFE standards to 35 miles a gallon from 27.5 miles per gallon, the average American family would reduce their spending on gas by nearly one-quarter.

With families on course to spend more than \$3,600 on average filling up their cars this year, this would be a savings of \$900 a year.

Despite major technology gains, especially hybrid technologies, and record-breaking gas prices, we are decades behind when it comes to making our cars more efficient.

More efficient cars mean American families spend less at the pump, we're less dependent on foreign oil, and our environment benefits from lower emissions.

The President's priority has been to give tax breaks to oil and gas companies even as their profits have soared to new heights. The big five oil companies enjoyed eye-popping profits of \$120 billion last year.

Instead of using those profits to expand refining capacity or make serious investments in renewable energy, the big oil companies are buying back their own stock to enhance prices for their shareholders.

Moreover, oil companies seem to be working hard to prevent gasoline alternatives, such as ethanol-based products, from being pumped at their branded gas stations.

In our first 100 hours of work in the majority, the House voted to roll back \$14 billion in tax-payer subsidies for Big Oil companies and reinvest that money here at home in clean alternative fuels, renewable energy and energy efficiency.

We have also passed a bill that encourages research and development of markets for biofuels.

Speaker PELOSI has created a Select Committee on Energy Independence and Global Warming to develop policy initiatives and assure that progress is made toward reducing our dependence on foreign oil.

Democrats in Congress are working on legislation to protect consumers and increase our energy independence by investing in renewable energy sources and reducing global warming emissions.

We need this new direction for energy policy that brings relief to American families and strengthens our economy.

## HEALTH CARE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the Chair recognizes the gentleman from Texas (Mr. BURGESS) for 11 minutes?

Mr. BURGESS. Mr. Speaker, I come to the floor tonight for what time is left to us to talk a little bit about health care. I do try to do that every week because this is such an important issue that faces our country, and over the next 18 to 24 months we are going to see perhaps some significant changes proposed and some, in fact, enacted in the Nation's health care system.

Mr. Speaker, I wanted to draw your attention, today there was an excellent piece written in today's Wall Street Journal. This piece was on the editorial page, it was written by Dr. Robert A. Swerlick. It is entitled, "Our Soviet Health System."

Mr. Speaker, Dr. Swerlick does such a good job of encapsulating a lot of the issues that I have been talking about here over the past several weeks and I just wanted to share a couple of quotes with you from his article as we get started. He is talking about the imbalance between supply and demand. He became aware of it when he found no trouble finding a veterinarian for his pet, but found difficulty finding a pediatric endocrinologist for a diabetic child. And the reason for the imbalance, Mr. Speaker, according to Dr. Swerlick, is because of some of the distortions of the marketplace and the inaccurate signals delivered to the marketplace because of our manipulation of those signals and of those market forces with the pricing structure we have in our Medicare system.

I am quoting from the article from today, and it says, "The roots of the problem lie in the use of the administrative pricing structures in medicine. The way prices are set in health care already distorts the appropriate allocation of efforts and resources in health care. Unfortunately, many of the suggested reforms of our health care system, including the various plans for universal care or universal insurance or a single payer's system that various policy makers espouse, rest on the same unsound foundations and will produce more of the same." Going on and continuing to quote, "The essential problem is this; the pricing of medical care in this country is either directly or indirectly dictated by Medicare. And Medicare uses an administrative formula which calculates appropriate prices based upon imperfect estimates and fudge factors rather than independently calculate prices, private insurers", and Mr. Speaker, this is key, and many House Members don't realize this, let me slow down and say this again. "Rather than independently calculate prices, private insurers in this country almost universally use Medicare prices as a framework to negotiate payments, generally setting payments for services as a percentage of the Medicare fee structure."

Then further on into the article, again quoting, "Unlike prices set on

the market, errors in this system are not self-correcting." That is, we make a mistake in our policy meetings, in our committee hearings, we make a mistake in setting the actual value to a medical service, and that mistake never gets corrected by market forces. It is insulated, it is anesthetized from market forces, and the consequence is it gets worse over time. And then we compound the error when we try to fix things at the committee level or at the level of the Federal agency.

One last thing that I would like to point out that the article does state so succinctly. Markets may not get all the prices exactly correct all of the time, but they are capable of self-correction, a capacity that has yet to be demonstrated by administrative pricing.

Again, a very worthwhile article. And I commend it, Mr. Speaker, to you. And perhaps some of our colleagues will also be interested in that article as well because I think it very succinctly sums up a lot of the things that I have been pointing out over the past several weeks here.

Mr. Speaker, in the few remaining minutes that I have left, I wanted to talk just a little bit about the physician workforce of the future, because that is something we have to focus on as we have this health care debate. A lot of times I worry we are getting the cart before the horse. Here is a cover of the Texas Medical Association's professional magazine back in my home State of Texas. Texas Medicine last March devoted a lot of the issue to the concept of running out of doctors. As a consequence. I am introducing three physician workforce bills tomorrow that will deal with the person perhaps thinking about a career in medicine, the young physician just starting out in either medical school or residency, and then finally, a third bill to deal with the iniquities in the Medicare pricing system that I just referenced in the article of today's Wall Street Journal.

The physician workforce crisis has to be approached on several fronts. The issue of medical liability is one that we need to take on, and we need to be quite serious about that. But when we look at perhaps the largest group of doctors that we may not have in the very near future because of the things we are doing in our Medicare pricing schedule, these are the areas where we really need to concentrate. Baby boomers are going to retire, they are going to get older. Demand for services are going to go nowhere but up. If the physician workforce continues its downward trend, as it is doing year over year, we may not be talking any longer about funding a Medicare program, we may be talking about why there is no one there to take care of seniors.

Year after year reduction in reimbursement plans from the Center of Medicaid and Medicare Services to physicians for services they provide for

Rodriguez

Lantos Larsen (WA)

Ellison

Ellsworth

Emanuel

their Medicare patients. This is wrong. It is not a question of doctors wanting to make more money, it's about a stabilized repayment for services already rendered. And it isn't affecting just doctors, it is affecting patients every day. It becomes a real crisis of access. Not a week goes by that I don't get a letter or a fax from some physician who says, you know what? I've just had enough and I am going to retire early, or I am no longer going to see Medicare patients in my practice, or I am going to restrict the procedures that I offer to Medicare patients. Unfortunately, I know this is happening because I saw it in the hospital environment before I left practice to come to Congress a few years ago. And I hear it in virtually every town hall that I do back in my district. Congressman, how come on Medicare, you turn 65 and you've got to change doctors? The answer is because their doctor found it no longer economically viable to continue to see Medicare patients because they weren't able to cover the cost of delivering the care, they weren't able to cover the cost of providing the care.

Medicare payments to physicians are modified annually using a formula called the Sustainable Growth Rate. I won't bare you with the intricacies of that formula tonight, I may do that at some other time. But because of flaws in the process, physicians get a mandated fee cut every year, year over year for several years to come. If no long-term congressional action is implemented, the SGR will continue to mandate fee cuts. Unlike hospital reimbursement rates, unlike reimbursement rates to HMOs or drug companies, those closely follow the cost of living index, but the physician's formula does not. In fact, Medicare payments to physicians cover only about 65 percent of the actual cost of providing the services. Can you imagine, Mr. Speaker, any industry or company that would continue in business if they received only 65 percent of what it cost to cover the care? Currently, the SGR links physician payment updates to the gross domestic product, which has no bearing in reality as to what it costs to deliver those services.

The problem is repeal of the SGR is very costly. The Congressional Budget Office currently scores that at about \$280 billion. There are ways to approach this. There are short term and long-term ways. And we need to have the political courage, we need to have the political will to do the things necessary to ensure that we do repeal the SGR and the formula and pay doctors on a more rational Medicare economic index such as hospitals are paid that recognizes the increase and cost of delivering care. All of this information is technicomplex and it is even boring to listen to, but it is an incredibly important story for our country. It is a story of how the most advanced, most innovative and most appreciated health care system in the world needs a little help.

The end of this story should read "happily ever after," but I am not sure we can reach that conclusion given where we are today. The last chapter should read "a privatized industry leads to a healthy ending."

As I stated in the beginning, before I began this talk, we are in a debate that will forever change our health care system. We must understand what is working in our system and what is not. We cannot delay making changes and bringing health care into the 21st century. The only way that we can have this to work is to allow the private sector to lay the foundation for improvements. The pillars of this health care system we have must be rooted in the bedrock of a thriving public sector and not the shaky ground of a public system that has proven costly and inefficient in other countries and in fact in our own back yard. Again, I reference the article from today where the errors are self-perpetuating in the system and market forces are never allowed to correct those errors.

We must devote our work in Congress to building a stronger private sector in health care. History has proven this to be the tried and true method. We can bring down the number of insured, we can increase patient access, and we can stabilize the physician workforce, modernize our technology, and bring transparency to the system. All of these things are within our grasp if we have the foresight, the determination, the courage and the political will to get things done.

Thank you, Mr. Speaker, for your indulgence. The day is concluded, and I will yield back the balance of my time.

## CORRECTION TO THE CONGRES-SIONAL RECORD OF THURSDAY, MAY 24, 2007, AT PAGE H5757

[Roll No. 420] YEAS—382

Ackerman Boucher Conaway Aderholt Boustany Convers Akin Boyda (KS) Cooper Alexander Brady (PA) Costello Allen Brady (TX) Courtney Altmire Braley (IA) Cramer Andrews Brown (SC) Crenshaw Brown, Corrine Crowlev Arcuri Brown-Waite, Baca Cuellar Bachmann Ginny Culberson Buchanan Bachus Cummings Burgess Burton (IN) Davis (AL) Baldwin Davis (CA) Barrow Butterfield Davis (IL) Bartlett (MD) Calvert Camp (MI) Davis (KY) Barton (TX) Davis, David Bean Cannon Davis, Lincoln Becerra Cantor Davis, Tom Berkley Capito Deal (GA) Berry Capps DeFazio Biggert Capuano Delahunt Bilbray Carnahan DeLauro Bilirakis Carney Dent Diaz-Balart, L. Bishop (GA) Carson Diaz-Balart. M. Bishop (NY) Carter Bishop (UT) Castle Dicks Blackburn Castor Doggett Blumenauer Chabot Donnelly Blunt Chandler Doolittle Bonner Clarke Doyle Clyburn Drake Bono Boozman Coble Dreier Roren Cohen Duncan Cole (OK) Boswell Edwards

English (PA) Eshoo Etheridge Everett Fallin Farr Feeney Ferguson Filner Forbes Fortenberry Fossella Foxx Frank (MA) Franks (AZ) Frelinghuysen Gallegly Garrett (NJ) Gerlach Giffords Gilchrest Gillibrand Gillmor Gingrey Gonzalez Goode Goodlatte Gordon Granger Graves Green, Al Green, Gene Gutierrez Hall (NY) Hall (TX) Hare Harman Hastert Hastings (WA) Hayes Heller Hensarling Herger Herseth Sandlin Higgins Hinchey Hinoiosa Hirono Hobson Hodes Hoekstra Holden Holt Hooley Hover Hulshof Hunter Inglis (SC) Inslee Israel Issa. Jackson (IL) Jackson-Lee (TX) Jefferson Jindal Johnson (GA) Johnson (IL) Johnson, Sam Jones (NC) Jordan Kagen Kaniorski Keller Kennedy Kildee King (IA) King (NY) Kingston Kirk Klein (FL) Kline (MN) Knollenberg Kuhl (NY) LaHood Lamborn Lampson Langevin

Larson (CT) Rogers (AL) Latham Rogers (KY) Rogers (MI) LaTourette Rohrabacher Lee Levin Ros-Lehtinen Lewis (CA) Roskam Lewis (KY) Ross Rothman Linder Lipinski Roybal-Allard LoBiondo Rovce Ruppersberger Loebsack Lofgren, Zoe Rvan (OH) Lowev Ryan (WI) Lucas Lungren, Daniel Salazar  $\mathbf{E}$ Sali Lynch Sánchez, Linda Mahoney (FL) Sarbanes Maloney (NY) Saxton Manzullo Marchant Schiff Schmidt Markey Marshall Schwartz Matheson Scott (GA) Matsui Scott (VA) McCarthy (CA) Sensenbrenner McCarthy (NY) Serrano McCaul (TX) Sestak McCollum (MN) Shays McCotter Shea-Porter McCrerv Sherman McDermott Shimkus McGovern Shuler McHenry Shuster McHugh Simpson McIntyre Sires Skelton McKeon McNerney Slaughter McNulty Smith (NE) Smith (NJ) Meehan Meek (FL) Smith (TX) Melancon Smith (WA) Mica Snyder Michaud Solis Miller (FL) Souder Miller (MI) Space Spratt Miller (NC) Miller, Gary Stark Miller, George Stearns Mitchell Stupak Mollohan Sullivan Moore (KS) Sutton Moore (WI) Tancredo Moran (KS) Tauscher Moran (VA) Taylor Murphy, Patrick Terry Thompson (CA) Murphy, Tim Murtha Thornberry Musgrave Tiahrt Tiberi Myrick Nadler Tierney Napolitano Turner Neal (MA) Udall (CO) Udall (NM) Neugebauer Obev Upton Van Hollen Olver Ortiz Velázquez Pallone Visclosky Pascrell Walberg Payne Walden (OR) Pearce Walsh (NY) Walz (MN) Pence Perlmutter Wamp Peterson (MN) Wasserman Peterson (PA) Schultz Petri Waters Pitts Watson Platts Waxman Poe Weiner Welch (VT) Pomeroy Weldon (FL) Price (GA) Weller Westmoreland Price (NC) Pryce (OH) Wexler Wilson (NM) Putnam Wilson (OH) Rahall Ramstad Wilson (SC) Rangel Wolf Woolsey Regula Rehberg Wu Reichert Wvnn Yarmuth Renzi Young (FL) Reves NAYS-37

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