

The Senator from Oregon is recognized.

HEALTHY AMERICANS ACT

Mr. WYDEN. Mr. President, our friend and colleague, Senator BENNETT, and I have joined together in the first bipartisan legislation to guarantee quality, affordable health care for all Americans in more than a decade. I could have no better partner to deal with the premier issue here at home than Senator BENNETT, who, of course, is a senior Member of the Senate Republican leadership and widely respected on both sides of the aisle. In the days ahead, together, we are going to be talking with Senators of both parties and discussing this legislation on the floor with one specific goal in mind; that is, Senate action to fix health care in America in 2007.

Now, of course, the popular wisdom is that something like this simply could never, ever be done. All the Washington, DC, beltway pundits say fixing health care is something we can't do right now and that it will be the job for the next President and the next Congress and everybody ought to expect that maybe 2 years from now, in the spring of 2009, Congress will get around to dealing with the principal domestic issue of our time.

I and Senator BENNETT don't believe we were given election certificates to sit around for 2 more years, when the American people are saying they cannot afford for the Congress to wait on fixing health care. It is the top issue here at home. It has been studied, studied, and studied. It has been poked and prodded for an awfully long time. It is time for the Senate to act and act now.

Our citizens are staying up late worrying about how they are going to be able to afford quality health care. I don't see how Members of Congress can explain going home at night without addressing our citizens' concerns, and say we will talk about this again in a couple of years. The country wants action, and Senator BENNETT and I are going to do everything we can to make sure they get it.

Yesterday, the CEOs of five major companies joined our push for action on health care this year. They focused on a handful of important principles. The principles pretty much mirror the Healthy Americans Act. I am very pleased the CEOs yesterday joined those who have already come out in support of the Healthy Americans Act: the business leaders, the labor leaders, the public health advocates, the advocates for consumers, and those who want to have dignity for folks at the end of life. They have already come out in support of the Healthy Americans Act, and I was very glad to be able to join the CEOs with Senator BENNETT yesterday to talk about why it is important for Congress to act and to act now.

The Healthy Americans Act is based on a handful of key principles. The

first is that if you are going to fix health care, you have to cover everybody. If you don't cover everybody, what happens in American health care is that those who are uninsured shift their costs to those who are insured. So all the people who have private policies end up picking up the costs of those who are uninsured.

Second, we believe we ought to build universal coverage around private choices, while protecting current Government programs. Our legislation, for example, keeps in place the basic structure of Medicare and veterans programs, making improvements in Medicare; for example, creating incentives for prevention, particularly under Part B, what is called the outpatient portion of the program. We build the future of American health care around quality, affordable private choices, while protecting current Government programs.

The third area we address is fixing the Tax Code. We have 180 million people essentially getting health care in America by a historical accident. Back in the 1940s, there were wage and price controls. It wasn't possible to get quality affordable health care to our citizens, and it was essentially put on the backs of the employers. Then the Tax Code came along to support that decision. Now, more than \$200 billion goes out the door in a way that disproportionately favors the most affluent and also promotes inefficiency. If you are a high-flying CEO, you can go out and get a designer smile and write it all off on your tax bill, but if you are a hard-working woman in a furniture store, you get virtually nothing out of the Tax Code. So Senator BENNETT and I think it is time to fix something in the Tax Code that might have made sense 65 years ago but certainly doesn't make sense today.

Then, we propose to cut the link between employers and insurance. There is no reason why we ought to say—at a time when our citizens change their job something like seven times by the time someone is 35, and we live in a society where people want portability, the ability to move quickly from job to job and take their benefits with them—there is no reason to say the future of American health care ought to require the employer to continue to be the focus of how health care is delivered. Certainly, at a time when our employers are up against global competition—and not competing with somebody in Denver or Texas but in global markets—it makes no sense to dump all this onto the back of the employer. So Senator BENNETT and I would cut the link between health insurance and employment.

We have put a special emphasis on creating a new culture of wellness and, in a sense, dealing with the fact that America doesn't have health care at all. What we have is "sick" care. Medicare will spend thousands of dollars under Part A for senior citizens' hospital bills and virtually nothing under

Part B for prevention to keep people well. So we make those voluntary incentives part of Medicare so that if a senior, for example, in Montana were to lower her blood pressure or her cholesterol for the first time, that senior in Montana would be able to get a lower Part B premium and actually see, on a voluntary basis, why good health pays off in terms of the premium costs seniors face.

Finally, our judgment is we are spending enough money today on health care. We are not spending it in the right places. To put it into perspective, this year we are going to spend \$2.3 trillion on health care. There are about 300 million of us. If you divide 300 million into \$2.3 trillion, you could go out and hire a personal physician for every seven families in America and pay that doctor \$200,000 a year, and then we would all have quality, affordable health care. Picture that in the State of Montana or in another part of our country: Seven families, for the amount of money we are spending today, could have their own personal physician who would get paid \$200,000, and their job would be to take care of seven families. Whenever I bring that up to the physicians groups—I am sure my colleague from Montana would see this as well—whenever I bring it up to physicians, they say: RON, where do I go to get my seven families? It sounds pretty good. It would be pretty good to be able to practice medicine again today rather than being a bean counter and an administrator and somebody who has to shuffle through all the paper and bureaucracy.

We are spending enough; we are not spending it in the right places. So that is why we have to say the first thing we are going to do is spend what is being allocated by American health care today more wisely.

The Lewin Group is sort of the gold standard of doing health care analyses. They analyzed the Healthy Americans Act and the President's proposals and proposals from various States, and they have found that under the legislation that Senator BENNETT and I are working on in the Senate, it would be possible to save \$1.45 trillion—that is with a T—on health care spending in the years ahead, the first proposal to actually lower the rate of growth in health spending. So the facts are indisputable. People who are insured today—and you often ask why should they support changes—are picking up the bills of those who are uninsured. As Senator BENNETT has often said, we have universal coverage already today. That is the way it works. Those people are going to get care; it is just not going to be done in a very efficient fashion.

So the facts are not in question. Medical costs are gobbling up everything in sight. Our employers are at a disadvantage when it comes to U.S. competitiveness. There has been a huge increase in chronic illness. A tiny percentage of the Medicare population, for

example, consumes most of the Medicare dollars, essentially as a result of problems relating to heart disease and diabetes and a host of other illnesses that could be prevented. Of course, it is well understood by every Senator that there is a demographic avalanche coming with many more older people.

So with the facts not in dispute, with the country saying act now, don't put this off for another 2 years, the Senate has an opportunity to work in a bipartisan way.

Senators on my side of the aisle have made it clear—correctly in my view—that we have to get everybody covered. It is not right for this country to be the only western industrialized nation that cannot figure out how to get everybody under the tent. It is important to get everybody covered.

Senator BENNETT and others on the Republican side of the aisle have been correct in saying the public doesn't feel comfortable with the idea of having Government run it all. The people in my State voted against what is known as a "single payer plan" in 2002 by a 3-to-1 majority.

What Senator BENNETT and I have put together, for the amount of money that is being spent today, is a bill that will save close to \$1.5 trillion over the next 10 years. It is legislation you can explain at any townhall meeting in Montana, Oregon, or anywhere else, and that is that every citizen would have access to a private health policy at least as good as their Member of Congress has. It is very simple to understand.

I have a Blue Cross card in my pocket. I was able, during the period of open enrollment, which the Senator from Montana experienced when he came to the Senate, to make choices, make an evaluation of the various private health policies that were offered to me. As a result, my children and I have that private health coverage. I want that same set of choices and set of opportunities for those whom I represent and the people of this country.

My good friend Senator BENNETT has joined me on the floor. I am going to yield soon for him to speak.

I think the debate in the Senate has reached the critical moment, at least for this session of Congress. We know we have to get action on major issues in 2007. We are going to spend a lot of time next year electing a new President. You probably don't have to have the President actually sign a piece of legislation in 2007, but you have to get serious action. Senator BENNETT and I believe there is an opportunity today that we have not had in years and years, and that is to bring Democrats and Republicans together to work for universal coverage.

My friend Senator BENNETT has made the point very eloquently that we are already paying for it today. We are just not, in many respects, getting our money's worth. So we have spent a great deal of time listening to folks in the private sector, in business, and

labor, and Government, Democrats and Republicans, and we want to bring the Senate together.

I also point out that the Healthy Americans Act, which Senator BENNETT has agreed to be the lead Republican sponsor on, mirrors the letter that 10 Senators—5 Democrats and 5 Republicans—sent to the President earlier this year, indicating we want to work with him. Health care has been studied and studied. The time for action is now. I am very pleased my good friend Senator BENNETT is going to be joining me in this effort.

I repeat to the Senate, this is the first time in more than a decade there has actually been a bipartisan piece of legislation to provide for universal health coverage in America. The last one, in fact, was largely developed by the late Senator Chafee, who sought to do much of what Senator BENNETT and I are seeking to do.

With that, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Utah is recognized.

HEALTHY AMERICANS ACT

Mr. BENNETT. Mr. President, I appreciate the comments of my friend from Oregon. I wish to make it very clear that if it were not for his dogged persistence in going after the issue of health care reform in this Congress, we would not be where we are. Many of us talk about this. We talk about it in the dining room. We talk about it as we are waiting between rollcall votes. We sit in the cloakroom and say, wouldn't it be great? Yes, why don't we do it? It would be fabulous if. . . .

Senator WYDEN goes beyond the talk. He is determined to go after this. He and I have had a number of conversations, and I know he has had conversations with the administration at the White House and at the Department of Health and Human Services. He is a bulldog on this issue. If it gets done, it will be a tribute to his tenacity. I am beginning to believe it will get done. I am getting his enthusiasm.

I want, for a moment, to spend a little time on history so we can understand how we got in the mess we are in, and why the proposal Senator WYDEN has laid down—and I am proud to co-sponsor—is the right direction in which to go. We got in the mess where we are with health care back in the Second World War, when the Federal Government decided, once again, it was going to repeal the law of supply and demand. I have said here many times, if I can control what we carve in marble around here to remind us of our duties, along with these Latin phrases I love, we should also have something before us that says you cannot repeal the law of supply and demand. The law of supply and demand is as immutable as the law of gravity. Because it occurs in economics, some people think we can get around it.

In the Second World War, we had wage and price controls. We were going

to prevent inflation by Federal fiat. In other words, we were going to repeal the effects of the law of supply and demand. All right, so that means if I had an employee, I could not give him a raise. All right. Senator WYDEN opens a business and he wants my employee. Since it is a new job, he offers my employee more than I can pay, and I cannot match that because it is against the law. So in order to hold my employee, I say: I will tell you what I will do: instead of giving you a raise in dollars that you can put into your paycheck, I will give you a raise in value. The value will be a health insurance policy that is worth more than Senator WYDEN is offering you in money. And here is the good thing about it: You won't have to pay taxes on this raise. I will pay the taxes on it; that is, it will be deductible. You won't have to pay taxes on it. So you get more value and you get a tax break. Isn't that a good deal? And the employee says: Yes, I will stay with you instead of switching jobs because you can, in fact, get around the Government's effort to prevent you from giving me a raise.

That sounds innocent enough, but it started us down the road of having the employer spending the employee's money. They say, no, that is not employee money, that is employer money; the employer is paying for it. No, he is not. The employee earned that amount of money, returned that amount of value to his employer, but he didn't get it in his W-2. That meant the employer ultimately determined how it would be spent. So we started down the road to where there is a major divide in paying for health insurance. The employer is spending the employee's money, but the employer wants to hold that amount down because it will mean savings in his overall business plan.

So the primary economic motive on the part of the employer is to hold the costs down. He will make a deal, therefore, that produces a temporary, short-term cost advantage for him. The consumer of the service, the employee, has a different agenda. He wants the best care he can get. But since he doesn't control the dollars, even though they are his dollars in terms of his earnings, he is stuck with whatever decision the employer makes.

That might make a little bit of sense if the employee stays with the employer his entire career. But we have gone long beyond that. I tell graduates of the university they can expect to change jobs 10 times before they are 50, and they may even change careers. You may be trained as a veterinarian and end up as a Senator. We have two examples of that here in the Senate today. I thought I was going to spend my entire career in the glass and paint business, a business my grandfather founded, my father ran, and when I graduated, I assumed I was going to be there for the rest of my life. I was there for 4 years, and a change came along, and then there was another change. I sat down when I was 50 and