

more than a synonym for more taxes. We seldom, if ever, see the idea of reducing spending brought up by the other side as a way of offsetting the loss of revenue from extending these important tax provisions.

In fact, there is a major flaw in the Democrats' pay-go requirement that you never hear them mention. Pay-go applies only to the revenue loss from extending the tax cuts, but not to the revenue loss from extending spending programs that expire. You might never know it from listening to the debate around here, but it is not just tax provisions that expire. Extending both tax benefits and spending programs costs Federal revenue. Why should not both be offset?

However, the budget rules assume that the expiring spending provisions are automatically renewed as a matter of course, with absolutely no requirement that the lost revenue be offset. This mismatch in budget policy produces a huge bias toward bigger Government and more taxes—something my colleagues on the other side just love.

Some may well ask, why shouldn't we pay for the lost revenue from extending the expired and expiring tax provisions?

My answer to Utahns who ask me this question comes in three parts:

First, it is wrong to raise taxes on one group of taxpayers in order to prevent another group of taxpayers from suffering an increase in taxes. Democrats and Republicans alike have resoundingly agreed with this principle in connection with the alternative minimum tax. Both parties in both Houses last year overwhelmingly passed the so-called "AMT patch" without offsets, and it is widely expected that we will do the same thing again this year.

Second, it is wrong to offset temporary extensions of current law with permanent tax increases. The fact that this has been done year after year does not make this practice a sound one. In fact, using permanent tax increases to offset temporary extensions simply means that, in the long run, the extenders have been paid for again and again.

Finally, why should we increase taxes when we are already collecting more taxes as a percentage of gross domestic product than the historical average? Despite the large tax cuts passed by Congress and signed by the President in the early part of this decade, the amount of tax collected as compared to the size of the economy just keeps increasing; yet, the majority insists on expanding the Government's pocketbook even further. At a time when gas prices have increased by 10 cents over the past two weeks to a national average of \$4.07 and home foreclosures are on the rise, I believe we need to put money back in the taxpayer's pockets, not take more out.

According to the other side, the pay-go rules require us to provide tax in-

creases in order to keep the deficit from increasing. Time and again, however, the Democrats themselves admit that the pay-go rules are not practical. We all know that.

For example, it was not deemed necessary to offset the revenue loss of the economic stimulus package we passed early this year. We did not offset the package of tax benefits for military personnel that was recently enacted. And there has been a long internal debate on the other side about whether unemployment benefits need to be offset. It appears to me that the Democratic pay-go requirement is more a slogan of convenience than a bedrock principle.

Many in the business community are frustrated by our lack of action in extending the expired tax provisions. I understand and share this frustration with them. I have fought for years to improve, extend, and expand many of these provisions, such as the research credit.

However, I believe those in the business community who are encouraging us to simply go along with the flawed bill the House of Representatives has sent us are being very shortsighted. Many in the business lobbies have looked at the offsets in that bill and have said that since they do not affect them very much, that we should go ahead and approve them.

If we go along with these offsets to extend the expired provisions until the end of this year, what are we going to use to pay for next year's extension? Sure, the business community might be fine with these offsets now, but how long until we get to the offsets that really hit them hard? All of us, including the business community, need to take a longer view of this and examine the principles involved.

We cannot drive our economy into the ground in the name of false fiscal responsibility. Tax increases are not the prescription to what ails our economy, particularly during this downturn and especially when revenue is already higher than the historical average. Yes, we should pass the extenders, but let us not sacrifice jobs on the altar of a flawed pay-go requirement in the process.

The cost of living for Americans is becoming unbearable. In my home State of Utah, the average price of gas is \$4.07, construction of new homes has ceased, and unemployment is on the rise. We should be spending less and lowering taxes, not holding back tax incentives that are vital to economic growth and job creation while raising taxes.

If my colleagues on the other side want to be fiscally responsible, then I am all for it. Let us work together to identify enough spending cuts to offset the cost of extenders. But if we cannot do that, let us not hold these important tax provisions hostage to a false sense of fiscal responsibility.

I notice the distinguished majority whip is here, so I will try to finish as quickly as I can.

MEDICARE IMPROVEMENTS

Mr. HATCH. I wish to say a few words about why I oppose the cloture motion on the motion to proceed on H.R. 6331, the Medicare Improvements for Patients and Providers Act. As I said last week when we were considering the cloture motion on the Baucus Medicare bill, my goal is to have bipartisan legislation signed into law by the President on July 1. Let me be clear, I wish to continue to work with my colleagues on the other side of the aisle in order to get this done. We were so close to an agreement in the Senate earlier in the week, but after the House voted on Tuesday, those discussions basically stopped, although we can put this together in 10 minutes if we work in a bipartisan way.

To be honest, the House Medicare bill, H.R. 6331, contains many provisions that both sides strongly support. These provisions include restoring Medicare reimbursement rates for physicians so their Medicare payments are not reduced by 10.6 percent on July 1.

Let me be clear, no one wants to cut Medicare reimbursements for doctors. We want Medicare beneficiaries to continue to have access to high-quality health care and the ability to see their own doctors.

There is not just one Medicare bill. The Baucus Medicare bill; the Grassley Medicare bill, which I cosponsored; and H.R. 6331 all include provisions to restore physician payments. All three bills include provisions on e-prescribing. Mandatory e-prescribing will significantly reduce medical errors, thus protecting beneficiaries.

Another issue that has overwhelming support is the delay of the competitive bidding program. I was a member of the House-Senate conference committee on the Medicare Modernization Act of 2003. Even back then, Senator GRASSLEY and I expressed grave concerns about the inclusion of the Medicare competitive bidding program. I worried about the impact it would have on small durable medical equipment companies, particularly those in rural areas. I am still concerned because there are many unanswered questions about the bidding process and how the winning bids were selected. If we do not come to an agreement by July 1, this program will go into effect.

A related issue that is included in all three Medicare bills is the elimination of the clinical lab competitive bidding program. There was broad support to repeal the clinical lab competitive bidding program as well.

There are rural provisions included in all three bills that are very important to my home State of Utah, which has many rural areas.

These provisions improve payments for sole community hospitals, critical access hospitals, and increase ambulance reimbursement rates in both rural and urban areas.

All three bills include a policy to create a bundle payment system for end-stage renal disease, or ESRD, services

provided to kidney dialysis patients. They also provide positive composite rate updates for 2 years until the bundled payment system is created.

All three bills include Medicare reimbursement for six kidney disease education sessions.

All versions of the Medicare legislation also include an expansion of telehealth services to skilled nursing facilities, hospital-based renal dialysis, and mental health centers.

So as one can see, we agree on most all the issues. Unfortunately, there is one issue where we do not agree, and it is standing in the way of getting this legislation signed into law.

H.R. 6331, the House Medicare bill, and the Baucus Medicare bill, include provisions that would reform the Medicare Advantage Program in a way that is unacceptable to both the White House and many of us who support the Medicare Advantage Program and I believe 90 percent of the people who do support that program.

In 2003, I sat through hours of negotiations with administration officials, House Members, and Senate colleagues for days, weeks, and months, including Finance Committee Chairman BAUCUS, to create the Medicare Advantage Program to the Medicare Modernization Act of 2003. Let me remind my colleagues, before 2003, the Medicare Advantage Program, then known as Medicare+Choice, was not working very well, especially in rural parts of our country because the Medicare payments were too low. The Medicare+Choice plans serving Utah simply left because they were in the red. They were not making money and, as a result, Utah Medicare beneficiaries could only be covered by traditional Medicare.

Through the MMA, we finally figured out how to provide choice to Medicare beneficiaries in both rural and urban areas. Medicare beneficiaries in Utah now have a choice in Medicare coverage they did not have before the MMA was implemented.

The biggest difference between the bill before us today and the Grassley Medicare bill is the House Medicare bill, if signed into law, will no longer allow private fee-for-service plans to deem. You are probably asking: What on Earth is deeming? It is quite simple.

Deeming allows beneficiaries who have opted for private fee-for-service plans the ability to see any Medicare provider because these plans do not have to establish networks.

Private fee-for-service plans have provided coverage options to Medicare beneficiaries living in rural areas who previously did not have choice. In other words, the ability to deem has been especially important in rural areas, where it is difficult for network-based plans to persuade providers to contract with them and for employer groups that provide coverage for retirees living in areas across the country.

The elimination of deeming could be the elimination of health care coverage

choices for beneficiaries living in rural areas.

It could also cause certain retirees to lose their health care coverage because employer health plans that provide coverage in all 50 States will cease to exist because they cannot establish networks.

My friends who support this bill will argue they are not cutting the Medicare Advantage Program by eliminating deeming. They also will try to say that the elimination of deeming will not have an impact on health care choices offered to beneficiaries living in rural areas.

I have already been told by one employer in Utah that this provision will force them to stop offering health care coverage to almost 12,000 retirees—12,000 retirees. I am worried it could hurt coverage for beneficiaries in rural areas as well. Quite honestly, we do not know the full impact of this specific policy.

Therefore, I simply cannot support a provision that eliminates deeming for private fee-for-service plans, and that is one of the reasons I am going to vote against cloture.

We must vote against cloture in order to ensure we can begin work on a bipartisan bill that will be signed by the President. We do not need to be wasting our time going back and forth on bills that do not have a chance of becoming law.

Trust me, this bill will not be signed into law because, while the take-it-or-leave-it attitude may work over in the House, it does not work in the Senate.

I urge my colleagues to vote against cloture so we may begin work on a bipartisan bill that will continue to protect choice of coverage for all beneficiaries—and I think that work would take all of 10 minutes—including those living in urban and rural areas and those who are covered through an employer retirement plan.

This motion must be defeated so we can prove to Medicare beneficiaries, Medicare providers, and our House colleagues that bipartisanship is alive and well in the Senate and that we are willing to keep working on this bill until we get it right.

The PRESIDING OFFICER (Mr. SANDERS). The majority leader.

UNANIMOUS-CONSENT AGREEMENT—H.R. 6331 AND H.R. 2642

Mr. REID. Mr. President, I ask unanimous consent, notwithstanding rule XXII, and the pendency of a motion, that a motion to proceed to Calendar No. 836, H.R. 6331, the Medicare Improvements for Patients and Providers Act, be considered made by virtue of this agreement and there be 60 minutes of debate on the motion, with the time equally divided and controlled between the leaders or their designees; that upon the use or yielding back of time, the Senate proceed to vote on a motion to invoke cloture on the motion to proceed, with the mandatory quorum

waived; that if cloture is invoked on the motion to proceed, then all postcloture time be yielded back, the motion to proceed be agreed to, and the Senate proceed to the consideration of the bill; that the bill be read a third time, passed, and the motion to reconsider be laid upon the table, without further intervening action or debate; that if cloture is not invoked, then the motion to proceed be withdrawn and the bill returned to the calendar; that upon the disposition of H.R. 6331, the Senate then consider the message from the House with respect to H.R. 2642, the Supplemental Appropriations Act; that by virtue of this consent being agreed to, the motion to concur in the House amendments to the Senate amendment to the House amendment to the Senate amendment to the bill be considered made; that Senator COBURN be recognized to raise a point of order and that there be 15 minutes of debate, with 5 minutes each for COBURN and the majority leader and the Republican leader, or their designees; that upon the use of that time, a motion to waive the Budget Act be considered made and the Senate then vote on the motion to waive; that if the waiver is successful, the Senate proceed to vote on the motion to concur; that upon disposition of the motion to concur, the motion to reconsider be laid upon the table, en bloc, with no further motions in order; provided further, that if the motion to waive fails, then this agreement be null and void.

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Republican leader.

Mr. McCONNELL. I, obviously, am not going to. I ask my good friend, the majority leader, if he thinks we need 60 minutes of debate. Is there some chance time will be yielded back?

Mr. REID. We would be happy to limit that—the supplemental appropriations bill we are talking about?

Mr. McCONNELL. No.

Mr. REID. On Medicare. I say to my friend, I think Senator HATCH wants to finish his statement, Senator DURBIN is here. I think we should do the 60 minutes.

The PRESIDING OFFICER. The majority leader.

Mr. REID. There was no objection to the request; is that right?

The PRESIDING OFFICER. Without objection, it is so ordered.

MEDICARE IMPROVEMENTS FOR PATIENTS AND PROVIDERS ACT—MOTION TO PROCEED

CLOTURE MOTION

Mr. REID. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows: