

Now, consider why this quality reform is not happening spontaneously all over the country if those big savings are there waiting to be tapped. Think of Michigan: In 15 months, in one State, with not even all of the intensive care units participating, \$156 million was saved. A report out of Pennsylvania showed they spent over \$2 billion a year on hospital-acquired infections.

Why is quality reform not happening everywhere? Well, primarily because the economics of health care punish you if you try. For example, a group of hospitals in Utah began following guidelines of the American Thoracic Society for treating community-acquired pneumonia. Significant complications fell from 15.3 percent to 11.6 percent. Inpatient mortality—a nice way of saying fewer people died—fell from 7.2 percent to 5.3 percent, and the resulting cost savings exceeded \$500,000 per year.

Sounds like another success story. But the net operating income of the facilities participating dropped by over \$200,000 a year because the treatment that resulted in the healthier patients was reimbursed at \$12,000 per case less.

In Rhode Island, we saw the same thing. When we started the ICU reform, I talked to the Hospital Association of Rhode Island, and they estimated a \$400,000 cost per intensive care unit, but as much as \$8 million in savings—a 20-to-1 payback. I said: Why not go for this? They said: You don't understand. All the savings go to the insurers. For us, this is \$400,000 cash out of our pockets, and potentially \$8 million out of our top line in revenues.

Name a business that will sensibly invest \$400,000 out of its cash to lose \$8 million in revenues. With reimbursement incentives like those, it is no wonder reform is such an uphill struggle.

We are at such a primitive stage in developing cost-saving, quality measures, and the economics work against us, so we have to tackle this now. An idea that will get us started: In my Improved Medical Incentive Act, I propose that State medical societies and specialty groups be allowed to present “best practices” to their local State health departments. If they do, and a Health Department determines this is a best practice that will save money and save lives, then two consequences follow. CMS would be obliged to create a pricing differential favoring those best practices, and private insurers would be forbidden to deny claims for services consistent with the approved best practices. If people want to object, fine. Go to the hearing. Let's do this in a regular fashion.

The determination of what gets paid for in our health care system right now is made in back rooms of the claims denial operations of insurance companies in scattered fashion, largely without oversight or review and laboring under heavy conflict of interest. If we move that determination toward proper for-

mal hearings, we can expand statewide best practices in a way that the economics will support.

Our health care problem is serious, it is vast, and it is looming. Health care IT is a crucial instrument in the health care reform toolbox, but it is not an end in itself. To fully realize its benefits, it must be coupled with a focus on quality improvement and a realignment of payment incentives. These three elements must move forward together.

Let me emphasize in conclusion as energetically as I can: The time is now. Time is wasting now. The need is urgent. It may not feel like it, but solving this problem with system reforms such as this will take several years. If we don't start now, when the fiscal tsunami hits, we will be left with only fiscal solutions to the problem. It is immediate ones but unpleasant ones, including massive tax hikes or massive benefit cuts. If we are standing here, and if I am standing here 5 or 10 years from now having that tragic choice in front of me, well, shame on us if in our folly, in our improvidence, we were too intellectually lazy and too bereft of basic foresight to have taken the steps then that could have averted that sickening choice.

As my colleagues know, we are seeing the beginnings of this debate now. The Bush administration has squandered its opportunity for meaningful health information technology reform, has squandered its opportunity for meaningful quality reform, and has squandered its opportunity for meaningful reimbursement design reform. Now, in the 2009 budget the President presented, he is proposing deep cuts in Medicare. We have to get ahead of this problem. This is a wake-up call. The time is now.

I look forward to working with my colleagues on both sides of the aisle to get this important work done.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

#### RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 1:15 p.m.

Thereupon, the Senate, at 12:30 p.m., recessed until 1:17 p.m., when called to order by the Presiding Officer (Mrs. McCASKILL).

#### MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent that there be a period of morning business until 2 p.m., with Senators permitted to speak for up to 10 minutes each.

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

Mr. REID. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

#### CELEBRATING BOY SCOUT DAY

Mr. BROWN. Madam President, 98 years ago today, William Dickson Boyce created one of this country's longest standing and most important community organizations—the Boy Scouts of America. Today, we join Scouting groups across the country and Ohio—Toledo and Cincinnati, Chillicothe and Lakewood—in celebrating Boy Scout Day.

The Boy Scouts of America has a rich tradition of teaching valuable skills to the young men of this country. The values which Scouting instills—fairness, honor, courage, and respect for others—prepare young men to serve their families and their Nation.

There are more than 3 million boys in the Scouting program, and in the past year alone Scouts have earned nearly 2 million merit badges and completed more than 33 million hours of community service.

As an Eagle Scout, I recognize the hard work involved in Scouting and commend the dedication and commitment of Boy Scouts and the Scouting movement across our country. The journey to Eagle is sometimes difficult, often fun, occasionally disappointing, and always rewarding. My time as a Boy Scout, in the end, provided me with opportunities to develop leadership and organizational skills, helped me to clarify and articulate my guiding principles, and instilled a commitment to public service.

The emphasis on community service I learned with Troop 110 in Mansfield, OH, has strongly influenced my lifelong commitment to public service. The memories and lessons of Camp Avery Hand and Philmont Scout Ranch, of success and failure in earning merit badges, will always remain with me.

The Scout Law is a framework that continues to inspire my work to this day:

A Scout is Trustworthy, Loyal, Helpful, Friendly, Courteous, Kind, Obedient, Cheerful, Thrifty, Brave, Clean, and Reverent.

I am a proud supporter of the Boy Scouts of America. I hope my colleagues will join me in celebrating Boy Scout Day.

#### TRADE POLICY

Mr. BROWN. Madam President, the United States should not be playing

Russian roulette with our Nation's economy and our Nation's future. We need to craft trade policies that deliver the long-term results we need, not just the short-term profits which a few multinational corporations want and which those multinational corporations incessantly lobby this institution to get.

In his State of the Union Address, the President advocated signing more free-trade deals. Given where past trade deals have led this country, the President's dogged pursuit of outdated trade deals would be perplexing if it weren't simply more of the same and par for the course. When it comes to trade, it is often the case that ideology trumps outcomes, and it is always the case that special interests trump American interests. Looking at where our Nation is headed, advocating common sense is a luxury we can no longer afford. We need to confront the problems our lax trade policies have engendered, and we need to do it now.

We are running a huge trade deficit. When I was elected to the House of Representatives in 1992, our trade deficit was \$38 billion. In 2007, it exceeded \$800 billion. The first President Bush said that a billion-dollar trade deficit translated into 13,000 jobs. Do the math and see what damage these trade deficits—from \$38 billion a decade and a half ago to over \$800 billion today—have caused us. We are bleeding jobs, and we are letting dangerous products cross our borders and land in the hands of our families and children.

When we write trade deals that favor gains for multinational corporations over evenhanded competition for both trading partners, we shouldn't be surprised when U.S.-based companies are crippled. Our current trade policy betrays our Nation's middle class, it cripples America's small business—especially manufacturing—and it destroys communities across the country.

I was recently in Tiffin, OH—a community of about 20,000 people about an hour from Toledo in northwest Ohio—talking with workers from American Standard. American Standard is a company that makes plumbing fixtures and that most Americans are familiar with. These workers' jobs have recently gone to Mexico and China. A venture capitalist—in this case, Bain Capital out of Boston, MA—came in and bought the company, shut it down, and moved the production overseas. Many workers lost much of their pension and their health care that they had worked for decade after decade. Many of these workers are in their fifties and won't be able to find jobs in Tiffin that pay anything close to the money they had earned. Many of them lost their pensions, their health care, while enriching Bain Capital to the tune of tens of millions of dollars.

These are not trivial matters. These are workers in Ohio and across the country, workers who are often in small towns and don't have the option of finding comparable jobs anyplace

nearby to support their families and ultimately to benefit from the pension and the health care they have earned—they have earned.

Free trade is a dangerous myth—a false idol. Trade has never been free. Even the most basic of barter systems have been guided by rules. Today's free-trade agreements are ripe with rules, rules that are clearly producing the wrong results for our Nation—deficits, job loss, dangerous imports, and compromised manufacturing capabilities.

Again, there are rules. The North American Free Trade Agreement was sold to us a decade and a half ago simply by saying this will reduce tariffs and open markets in Mexico and in Canada for U.S. goods. But it was 2,000 pages. So it wasn't simply a free-trade agreement; it was a trade agreement replete with rules that supported and helped those special interests—special interest investors and companies that wanted to privatize, that wanted to outsource, that wanted to use these rules to make more money for the companies at the expense of workers in Mexico, in Canada, and in Gallipolis, Portsmouth, and Cleveland, OH.

I am proud to join with Senator DORGAN of North Dakota, who has been a leader on trade policy. He even wrote a book called "Take This Job and Ship It" about trade and is proposing that we take a far more pragmatic approach to U.S. trade policy, one based on achieving positive results and on accountability. Thanks to his leadership, we have legislation that would focus trade policy away from the blind adherence to outdated trade agreements and toward policies that increase U.S. trade, that bolster U.S. jobs, that lift our communities, and that will reinforce U.S. manufacturing in the days and years ahead, and toward a trade policy that builds our Nation's middle class.

His bill establishes concrete benchmarks for trade bills. It is a common-sense idea, a prescription for U.S. success in a global trade arena that will help us bring back the manufacturing base in this country. We should pass this bill and also take immediate steps to address the dysfunction that has infiltrated virtually every aspect of our trade relationship with China.

China is manipulating its currency, it is low-balling the price of its exports through Government subsidies, it is sending our Nation dangerous toys and contaminated food, it is generating unheard of levels of pollution, and the list goes on and on.

Last month, New Page, a paper manufacturing company based in Miamisburg, a town in southwest Ohio, announced it was shutting down plants in Wisconsin, in Maine, and in my State of Ohio, in the city of Chillicothe, once the State capital.

Heavily Government-subsidized Chinese paper producers account for 50 percent of the world's market. Fifty percent of the world's paper producing

is in China and is heavily Government subsidized in China. It has meant the loss of jobs in places such as Chillicothe and Dayton and all over my State and this country. It is not free trade. The Chinese have benefited. And when I say the Chinese, I don't mean Chinese workers, I mean the Communist Party of China, the Government, the People's Liberation Army, and too often U.S. investors who are so often complicit with the Communist Party and the People's Liberation Army and the Chinese Government. Think about that. It is not free trade with China; it is a wreck.

These factors, in addition to low wages, in addition to unsafe working conditions, and the absence of worker rights have contributed to the loss of millions of manufacturing jobs and our country's reliance on imports.

What does that mean for the future? When I look around this Chamber, I see seven young pages, high school students who work here—and several on the other side, too, whom I can't see; I apologize—and I think about what their world is going to look like in 20 years. Are we going to look back and say: Why did we give away our country? Why did we sacrifice our national security and our economic security and outsource all these jobs and outsource all this wealth and watch a middle class decline? Is that what we are going to look back on in 20 years and say? Why did we let this happen? How did we let this happen?

Madam President, restoring sanity to our trade relationship with China should be an immediate, No. 1 domestic and international priority for this Nation.

Last week I was joined by seven freshmen colleagues affirming that our trade policy should focus on China; that is, our trade priority. We need to imagine 20 years from now, as I said, what is manufacturing in our country going to look like? This country's wealth—much of it—has been dependent on manufacturing, on making everything from newsprint to airplanes, being able to manufacture and create wealth in small towns and large cities alike.

Instead of littering our Nation's path with more flawed trade agreements, we should say: Time out. No more trade agreements. Look back, establish this commission we have discussed that will look at both parties, both houses, look back at what our trade policy—what NAFTA, what CAFTA, PNTR with China, what our other bilateral smaller trade agreements have done, what they have done to our country, what have they done for our country, make that analysis and then fix those trade agreements and move forward.

It is not in the Nation's best interests to rely on other nations for our defense infrastructure, for our transportation infrastructure, for our industrial infrastructure, for creating the wealth in our communities that manufacturing does. In this country, we do

the best research and development in the world. Yet multinational corporations often take that research and development and do the production in other countries.

Sure, there are great jobs in research and development. It is good for our country. We should continue to give tax incentives for that research and development, but it is more than that. It is also what do you do afterwards, in commercializing, in producing and manufacturing those products the research and development has generated? That is the larger number of jobs, that is the greater part of the wealth creation, that is what is essential to providing the goods and services in our communities for police and fire and education and all of what that means.

We cannot simply continue to do the R&D and then farm out the production to exploit low-wage workers, exploit the consumer product and food safety net. Because that is what happens. When this research and development is done in the United States, and the production is moved to China, it is moved there to exploit low-wage labor, and it is moved there as a way, frankly, in many cases, or at least it becomes that, that we end up with inferior, less safe, less high-quality products back into our country.

We need to take responsibility for the consequences of our inaction when it comes to trade policy and take responsibility for the mistake we have made in formulating trade policy. We need to do it now.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SALAZAR.) The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mrs. McCASKILL). Without objection, it is so ordered.

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#### RECOVERY REBATES AND ECONOMIC STIMULUS FOR THE AMERICAN PEOPLE ACT OF 2008

Mr. REID. Madam President, I ask unanimous consent that the Senate now resume consideration of H.R. 5140 and that the pending motion and all amendments be withdrawn; that the amendment, which is at the desk, be the only amendment in order; that there be 20 minutes of debate with respect to the amendment, with the time equally divided and controlled between the leaders or their designees; that upon the use or yielding back of that time, the Senate proceed to vote on the amendment; that upon disposition of the amendment, the bill, as amended, if amended, be read a third time, and without further intervening action or debate, the Senate proceed to vote on passage of the bill.

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

Mr. REID. Madam President, let me mention, it is a bipartisan amendment—Reid-Baucus-Grassley-McConnell-Stevens.

The PRESIDING OFFICER. The Senate will resume consideration of H.R. 5140, which the clerk will report.

The bill clerk read as follows:

A bill (S. 5140) to provide economic stimulus through recovery rebates to individuals, incentives for business investment, and an increase in conforming and FHA loan limits.

#### AMENDMENT NO. 4010

(Purpose: To revise the eligibility criteria for the 2008 recovery rebates for individuals.)

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Nevada [Mr. REID], for himself, Mr. McCONNELL, Mr. BAUCUS, Mr. GRASSLEY, and Mr. STEVENS, proposes an amendment numbered 4010.

Mr. REID. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

(The amendment is printed in today's RECORD under "Text of Amendments.")

Mr. REID. Madam President, I ask that the vote occur at a time to be determined. We will decide what time the vote will occur because there are people who are not ready to vote right now. They are wandering around town.

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

The minority leader.

Mr. McCONNELL. Madam President, I ask unanimous consent that in addition to myself, Senator REID, Senator BAUCUS, and Senator GRASSLEY, Senator STEVENS be added as an original sponsor of the amendment.

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

The Democratic leader.

Mr. REID. Madam President, a key provision in the Senate Finance Committee package was an extension of unemployment benefits. This is one of the most effective ways to stimulate the economy. These benefits can be distributed quickly, and they are likely to be spent.

This is not a matter of ideology; it is matter of economics. And a broad range of economists agrees with this. Even Alan Greenspan, hardly a liberal Democrat, has testified in favor of expanding unemployment benefits during periods of economic slowdown. Expanding unemployment benefits works, and this is a matter of basic compassion.

The long-term unemployed are among those Americans with the most pressing needs. Unfortunately, there are well over a million Americans who are expected to exhaust their regular unemployment benefits between January and June of this year. They need our help. If we extend the same assistance to them that we have to the long-term unemployed in the past, our entire economy will benefit.

So I ask unanimous consent that, notwithstanding the previous unanimous consent agreement, the unem-

ployment insurance provision of the Senate Finance Committee package be added as an amendment to the bill currently before the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. GREGG. Madam President, reserving the right to object, I simply note that when unemployment exceeds a certain level, there is reason to extend it, but this Nation's unemployment now is under 5 percent which is deemed to be full employment. There is no trigger attached to this proposal.

In a State such as New Hampshire where unemployment is at 3.6 percent, an extension might have an opposite effect. Rather than stimulating the economy, it might undermine the ability to create more productivity. So I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Madam President, the State of Nevada is 5 percent, as is Michigan and a number of other States. It would not apply to every State but some States. I am disappointed my friend objected to the request, but I understand.

The stimulus package I introduced earlier this week included a \$1 billion increase for the Low-Income Home Energy Assistance Program, or LIHEAP. I commend my colleagues, my friend JACK REED, BERNIE SANDERS, SUSAN COLLINS, and a number of others, for their strong advocacy for LIHEAP and for the broad support that they have helped build for the program. They know LIHEAP is critical for many Americans who otherwise will be forced to choose between heating their homes, putting food on the table, or buying medicine or gas for their car. These are people who will spend any additional assistance and help stimulate the economy.

So I ask unanimous consent that, notwithstanding the previous unanimous consent agreement, the LIHEAP provision in the previously withdrawn first-degree amendment be added as an amendment to the bill currently before the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. GREGG. Madam President, reserving the right to object, I note that I strongly supported LIHEAP and have supported it on numerous occasions and continue to support its expansion. I happen to believe it should be paid for. I don't think we should pass on to our children and our grandchildren the cost of the oil bills today. We should expand LIHEAP, but as part of expanding LIHEAP, we should offset that with an offsetting savings somewhere else. So at this time I have to object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Madam President, I am on my best behavior today, so I am not going to dwell on the fact that the war has cost us about \$800 billion, all borrowed money. But I understand the objection to this LIHEAP amendment.