

pay ransoms so Democrats would spare their industries greater harm. Sure enough, the device maker lobby, AdvaMed, was among the “stakeholders” that joined with Mr. Obama in a Rose Garden ceremony in May and pledged to “save” \$2 trillion over 10 years to fund his program.

AdvaMed was nothing if not a team player. It endorsed Democratic inspirations like comparative-effectiveness research and value-based purchasing, despite the danger that under such centralized decision-making the government will decide that the most effective and valuable treatments also happen to be the cheapest—rather than those that are best for patients. It also suggested a variety of other taxes that would have resulted in a lower bottom line, much as Big Pharma promised \$80 billion in drug discounts and the American Hospital Association agreed to \$155 billion in Medicare and Medicaid reimbursement cuts.

But the word on Capitol Hill is that AdvaMed’s tribute wasn’t handsome enough for Mr. Baucus’s tastes. The massive new tax—which wasn’t a part of any of his policy blueprints released earlier this year—is in part retaliation. Partly, too, the device makers simply don’t have the same political clout as the other big players, making them an easier mark. Old Washington hands are saying the device lobby made a “strategic mistake” by not offering Mr. Baucus more protection money, but the real mistake was trying to buy into the ObamaCare process, instead of trying to defeat its worst ideas outright.

And now it may be too late. As we’ve argued, liberal Democrats think that merely allowing an industry to continue to exist is a concession, and they’re already taking the pharma and hospital concessions and running them higher. In the case of devices, patients will be left with higher costs for fewer life-saving technologies.

Mr. SOUDER. This proposed provision would tax these companies 10 to 30 percent. Medical devices are currently paid for by hospitals. You don’t declare that individually in Medicare or in any other health—it goes through a hospital. The hospitals have already been asked to lower their costs and put money into the system. So this would be a direct tax based on the sales and profits of these companies.

Now there are three classes of medical devices. The joke that occurred around this was, in class one, Q-tips are called a medical device. Well, we heard today that Q-tips are going to be exempt, as are condoms, as are home pregnancy tests, as are scented Maxi Pads. So I guess that’s the good news. The bad news is that what isn’t exempt is class two and class three, which are going to have huge taxes on these companies and will restrict innovation. What are they? Heart valves, automatic cardiac defibrillators, heart imaging machines, insulin pumps, hearing aids, electric wheelchairs, and of course, all orthopedic joints—spine and neck implants included with that. They are going to be taxed.

What in the world is going on here? I think that a lot of people are of the impression that this kind of stuff just comes, that somehow it magically appears. In fact, I’ve heard people say, Well, why don’t we all just get on Medicare? Besides the fact that Medicare is broke, Medicare hasn’t invented

anything for hips. They only cover variable costs. No research comes out of Medicare. No research comes out of Medicaid. No research comes out of the Veterans Administration. All that’s funded by private pay. All that’s funded by profits of corporations.

And if you take away the profits, they aren’t going to be developing special hips for 18-year-old soldiers who are shot up. They now have body armor, but they are getting shot in their joints and now have to live for the rest of their lives with that. They aren’t going to do it for the little kids. As people live longer and have this in their bodies longer, they aren’t going to do all the variations. They aren’t going to be able to do custom orders. R&D will tend to be shot. It may move offshore. It may totally disappear. This tax would be a disaster to America, and I hope it can be defeated.

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

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

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.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

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

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

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

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

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

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

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

DEMOCRATIC FRESHMAN CLASS HOUR ON HEALTH CARE

The SPEAKER pro tempore. Under the Speaker’s announced policy of Jan-

uary 6, 2009, the gentleman from New York (Mr. TONKO) is recognized for 60 minutes as the designee of the majority leader.

Mr. TONKO. Madam Speaker, as you know, we have a very talented freshman class in the House of Representatives. And for the next hour, Members of the freshman class will be discussing health care. We would like to thank the Democratic leadership for giving us time to discuss this very important issue. Within the freshman class I believe is a diversity of work experience and work expertise, skill sets that have been brought to this Chamber to discuss various policies.

Well, nothing could be more pressing, Madam Speaker, than the need for health care reform. Just yesterday I was pleased to welcome President Obama to the 21st Congressional District of New York, which I represent, specifically to the city of Troy, New York. He had spoken about the innovation economy. He had spoken about the recovery from this recession, which has been deep and long. He made mention that there is no recovery without addressing health care costs for our businesses, to be able to go forward with a meaningful plan that will allow for employer-based coverage at an affordable price.

So this evening as we speak about health care reform, it is significant to our business community, it is significant to our families, the working families across America, and it is significant to government, as health care costs for government-provided health care in our local municipalities, in our school systems, is rising well beyond inflation.

In fact, just today a report was issued by the Office of the Vice President that spoke to, on average, 5.5 percent increases on family plans across America. That average of 5.5 percent came during this recession period that actually saw inflation dropping by 0.7 percent. So this is a remarkable statistic that we’re seeing this growth continuing.

We have been joined, and we are joined by two of our colleagues right now. We have Representative GERRY CONNOLLY from Virginia’s 11th District and Representative CHELLIE PINGREE from Maine’s 1st Congressional District. Representative CONNOLLY, if you please.

Mr. CONNOLLY of Virginia. I thank my friend and colleague from New York. I just wanted to amplify the point you just made, Mr. TONKO. Last week the Kaiser Family Foundation issued a report. This isn’t coming from any committee in Congress. This is an independent analysis. It said that the average family of four in the United States is currently spending over \$13,000 a year for health care coverage. If we do nothing, by 2018, in only 9 years, that \$13,000 a year will be \$30,000 a year, pushing health care affordability beyond the reach of millions of American families if we do nothing.

There are real costs to inaction when it comes to health care.

Mr. TONKO. Absolutely. And I think that the statistics speak for themselves. Representative PINGREE, you have long been a champion in your State for health care reform. Statistics in the Northeast and certainly in New England are what they are across America, where we see out-of-control costs and reduced opportunities for those who are holding an insurance policy in hand.

Ms. PINGREE of Maine. Absolutely. You're right. I come from the State of Maine. And like many State legislatures, when I was in the legislature and after I was there, the State implemented a lot of reforms around health care. They've done a tremendous amount to attempt to cover more citizens, to bring down the price of prescription drugs, to deal with the challenges of the insurance markets. But the fact is, even though that is a State that has done all it can, a State can't do it by itself. It can't do it one State at a time. What I hear from my constituents when I go back is, Please, do something about the health care system, and don't delay. Do it now. Get it done this year.

You talked about small businesses. Small businesses in my State and big businesses alike are really struggling under the cost of health care. It's a significant economic issue. It truly is. If we don't do something about the rising costs of health care, we're more uncompetitive as a Nation. More small businesses are finding that they're having to cut back on the coverage for their families or take away coverage completely. It's a huge economic issue in our State.

You know, one other factor we sometimes don't talk about around the economic issues is the number of people who might leave their job to start a business. I talk to a lot of constituents who say to me, You know, I would like to start up my own business. I have got an idea. I even might employ a couple of people, but I wouldn't dare leave my job because I don't think I could be without a safety net.

So you have older workers who might choose to retire, you know, go on to their next stage of their lives, but they don't want to leave that health care insurance that they currently have. Or people who have good ideas, who want to go do something, and they say, I just can't do it without the safety net of health care insurance. I don't dare be out there.

Mr. TONKO. Well, it's interesting because I'm sure we hear it all the time. We recommend to high school students that probably their work stops throughout their careers will be four, five in number. It will not be that sustained one bit of loyalty to the employer and reverse to the employee that goes through an individual's work life career. And that is an important thing. If we profess that to be true, and we share that with these young minds,

where we see that happening today in today's society where there are more and more shifts in careers, where there are golden opportunities to enter into another work opportunity, or where people are displaced, tossed to the streets, if you will, and lose their jobs, there should be that stability.

While the discussion by some has been framed an issue for the uninsured or underinsured, it's equally about those of us who are insured with the policy in hand. And what is really driving the issue here for many is catastrophic illness, where there is perhaps a huge demand on a family for medical expenses, and we are seeing more and more bankruptcies due to medical expenses as part of an American outcome, unacceptable outcomes in a land of abundance, as is the case in America.

□ 1945

So reform here is what we need. Status quo is unsustainable, absolutely unsustainable, and we need to go forward with a progressive sort of policy reform that will enable us to prosper as a society, via business, via families, via individuals, via our local governments and school systems.

Mr. CONNOLLY of Virginia. I would say to my friend from New York, Madam Speaker, that I think this whole issue of the distortions health care causes on the labor market really impede and constitute a significant barrier to the fostering of innovation and entrepreneurship in the United States because, as our friend from Maine just indicated, millions of Americans have to make decisions about where they will work and at what they will work, not because they think that's necessarily what they're going to be best at or not because they're willing to take a chance with a startup company, understanding it might fail but, on the other hand, it might be the next Microsoft, but because they can't afford to because they have a pre-existing condition.

Forty-five percent of us who have health care insurance have a previous existing condition, and you may have a spouse or a child with a previous existing condition on that policy. And if you move to a smaller risk pool or, God forbid, no risk pool at all because that small startup or that small company can no longer afford health care coverage, you risk the catastrophic illness you just talked about, Mr. TONKO, which drives families into bankruptcy.

In my district, which is a relatively affluent district compared to many others, we had 1,430 families last year in the 11th Congressional District of Virginia who filed for bankruptcy because of health care costs. And no American family should have to face that kind of "Sophie's choice" over health care in America.

Mr. TONKO. Absolutely not.

As I mentioned, the President came to my district just yesterday and talked about the innovation economy

and the emergence of innovation that is expressed through keen intellect out there, whiz kid ideas, if you will, that are fostered by these very sharp individuals who know with precision how we can enter into a high-tech sweepstakes and win that global race. Well, we can't saddle these people with the costs of health care that is unaffordable or deny their entry into the job creations that they want to provide by finding that the premium is going to be some \$13,375, as the Vice President's released study indicates. That is unacceptable.

Status quo also means that insurance companies will be calling the shots, that they will control your destiny. They will step between you and the medical community. They will continue to reap great profits that go toward marketing and executive bonuses and various other items. The first 26 cents now on the dollar are assumed to go for something other than health care. So status quo is not sustainable.

I know, Representative PINGREE, that you have been impacted by these issues within your district and have created a very strong voice for health care reform.

Ms. PINGREE of Maine. You know, it's interesting to come from a State where we have done a lot of insurance reforms and a variety of reforms. What I find is because we've been talking about it for such a long period of time in our State and because the State has moved forward on a variety of things, I find that the constituents in my district are very literate and very articulate about this. Wherever I go, they've got to give me a piece of their mind about the insurance company, and most of them have had some kind of an encounter.

We often talk about the number of people that are happy with their plan, but I've also heard people say, you know, you're happy with your insurance plan sometimes until you have to go and use it. And I am amazed at how many times I meet with people who say, I thought it was going to be there for me. I didn't realize there was going to be a cap on it.

An awful lot of people in my district are self-employed or they do a variety of different jobs. We have a tremendous number of fishermen. People work at woodcutting, a variety of different things, and they have \$5,000 and \$10,000 deductibles. Well, that sounds pretty good when you first sign up, but the fact is you still pay a very high premium and you've got to pay that first \$10,000. You do an injury to your knee or you do a variety of other things or one of your kids gets sick, before you know it, you've got to pay that first \$10,000 and you're still paying enormous premiums, and what have you got in the end? It sounds like kind of a way to get around the situation, but most people say to me in the end, you know, This idea of just catastrophic coverage, it really didn't work for me, or, The insurance company wasn't really there when I needed it.

I just want to go back to that point. A number of people who I talk to say—it's a tough economy. Maine is 38th in per capita income, so my district doesn't necessarily look just like yours. A lot of people are really struggling to put it together. A lot of people are seniors or nearing retirement age. But because it's a hardworking constituency, they'll say, you know, We do pretty well at making ends meet. I go fishing. I paint houses. I cut some Christmas trees. My wife sells crafts. We've got this little business or we want a tourist motel. We can almost put it all together and have a pretty good income. The thing we can't afford is that \$12,000 or \$13,000 a year for insurance. And my daughter's diabetic or my husband's got a condition; we can't go without it. And I just want to go back to that point that the number of people who work hard and say, I could earn a pretty good living, but what I can't afford is health care insurance.

When I look at my State, the struggling economy, the job loss—our unemployment numbers just went up, and we're all looking for the big extension today of unemployment insurance. But the fact is the single biggest thing we can do to revive the economy in my State is to have universal coverage for health care. And I don't care whom I talk to. If they're on the left or the right or they own a business or they work for a big company, that's the one thing we all agree on: If there were affordable health care, we could get by.

One other fact I just want to put out there, and we're talking about a variety of things today, is sometimes people will say to us, well, you know, I don't want to have this kind of government health care. I don't want to have to pay for everybody else.

Well, if you're paying the cost of health care insurance today, at least \$1,000 of your \$12,000 to \$13,000 premium is in the cost shift of all the people who aren't covered or who don't have adequate coverage. I mean, thank goodness people get coverage when they get sick and they get to the hospital. But the fact is our hospitals are struggling under the weight. Our practitioners are having to cover a lot of people who just don't have it when they need it or the insurance wasn't there when they thought they did. So you're already paying at least \$1,000 a year in a tax, in a cost shift that's going somewhere else.

Why not make this a sensible system where everybody has early care and intervention and we emphasize wellness? It would make a huge difference in the economy.

Mr. CONNOLLY of Virginia. Absolutely.

In my district, I've started something called "house calls." In fact, CNN followed me around one day actually at it, saying, you know, it's not that often a Member of Congress makes house calls, but this one did.

What I did was sit around a kitchen table at a home with some neighbors in

this particular neighborhood in my district and listened to stories. And while, obviously, there exists lots of considerable and legitimate fear and angst about what might constitute health care reform, what might be in a bill or not that we heard this summer, we also know there was also an awful lot of orchestrated noise to try to prevent the legitimate debate on health care sometimes and maybe to drown out these stories of average Americans and what they go through at the hands of the health care insurers.

So I'm picking up on what Ms. PINGREE said, but I am talking about those who have insurance, and yet time after time what I find when I go back to my district is stories, often horror stories, but certainly stories about capricious, arbitrary decision making.

We heard a lot of rhetoric this summer about I don't want a lot of government bureaucrats standing between me and my doctor and deciding on my medical care, and I think all three of us would agree with that. We don't want that either. There is a bureaucrat, however, if you're insured in America, standing between you, often, and your medical care, and that's not a government bureaucrat. It's an insurance bureaucrat sitting in a cubicle somewhere, looking for ways to shave costs irrespective of the medical requirements you may have, and sometimes and all too often irrespective of what the recommendation of your doctor may be in terms of best treatment or testing or both. Time and again, we hear sad story after sad story of lack of coverage, capping the amount of coverage, refusal to allow testing or procedures, often for very arbitrary reasons.

One of the things I hope, and I know that a number of the versions of health care reform legislation contain, is that we will actually address that. We will rein that in. We will protect health care consumers in America from that kind of capricious behavior by insurers whose only motivation isn't your health or your best interest; it is profit.

Mr. TONKO. Absolutely.

Mr. CONNOLLY of Virginia. There's nothing wrong with profit, but profit ought not to be the driving motivation in the most important part of our daily lives: our good health and well-being. And it seems to me we ought to be putting America's health before the insurers' profit motive.

Mr. TONKO. Representative CONNOLLY, you talk about some of the hardship that befalls people because of these decisions by bureaucrats in the industry. Well, there are also those situations where they drop coverage because of illness, which is a dreadful outcome. And I think that the insurance reforms, the health care insurance reforms that are required in this package would address situations like catastrophic illness, requiring that there be no prejudice shown against those suffering with catastrophic illness; that there be this portability that if you

change jobs, lose a job, you continue to maintain health care coverage; that there be caps on certain situations where you're not draining—for the bankruptcy purposes we cited here or just the economic hardships that befall families, you're not draining them of resources unnecessarily, and putting a cap of perhaps \$5,000 on an individual, \$10,000 on a family, allowing for that cap to be placed so there is that benefit that comes the way of our American families.

Putting no copayment onto wellness programs and prevention programs, that's a smart thing for us to do. We know that when we bring people into the network and emphasize and underscore the value of prevention, they will be all the better for it.

So there are all these dynamics that should be responded to by the legislation that we do here, by the policy we develop.

Representatives talk about anecdotes that are shared within their districts to them either through house calls, which I think are unique, and just in group meetings that are had. I can tell you recently someone told me of their premium going up 37 percent in a matter of 2 years and that now, because of catastrophic illness, the wife of this married couple whom I reference here is unemployable at the age of 60. Her husband is now the single wage earner, trying to cover \$18,000 worth of medical expenses.

Now, is that the kind of outcome that we want to protect? Is that the status quo that we're supposed to fight for? Or do we go forward and champion causes that will remove this sort of situation from the lives of the American families that we have the fortune to represent?

I think that there is a better way, and this health care focus in this House has been strong about wringing excess costs and inefficiencies out of the equation and putting in those measures that control overimpacting our American families in cases of catastrophic illness and advancing the cause of wellness. That's what we can achieve here and not be ruled by myth or fear tactics but by facts and information that is fed us that is responsible development of public policy, I believe.

Mr. CONNOLLY of Virginia. You know, Mr. TONKO, a lot of folks who have health care coverage have to look at what is the trajectory moving out in the next few years.

Let me give you an example of a couple I met in one of my house calls. This is a gentleman with a Ph.D. His livelihood is to tutor high school students in our school system who need extra help trying to make their way in the academic career, but he's considered a contract employee and, therefore, has to get his own health insurance. He has no benefits.

Seven years ago health insurance coverage for him and his family of four cost \$4,000 a year. Absolutely manageable, easily fit into his budget. Seven

years later, no change in his health profile, it now costs \$18,000 a year for that same family of four, and that includes no dental, no vision, and no drug coverage. He now has to look at the next few years of whether he has to drop that health insurance policy because he can no longer afford it because now it involves real tradeoffs economically.

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This is not somebody who is abjectly poor; this is the middle class actually looking at terrible choices they never thought they would have to make regarding health care.

Mr. TONKO. And we have heard real-life stories that should affect all of us in our process here in the House. Both of you are strong voices for intelligent reform; and Representative PINGREE, I know you have a lot to add.

Ms. PINGREE of Maine. We have a lot of colleagues who are strong voices for reform; and most of us, every time we go to the supermarket, go to somebody's birthday party, the first thing our friends and neighbors and constituents say to us, We need to get the health care bill passed. What is standing in the way?

There is so much hard work going on here in dealing with many of the complicated details. This is a major overhaul of the health care system. I commend my colleagues in Congress who are putting in a tremendous number of hours to get this right, and it is not easy to figure out and how to make it affordable for Americans. The stories that you talked about earlier are exactly what we hear everywhere we go. What we are trying to do now is put the finishing touches on a bill that will get us to that place.

I want to go back to the point you made about wellness. I have visited with a lot of the businesses in my district, many of which are self-insured. Those businesses are big enough to take on the challenges of health care themselves, and I am so impressed with the number of companies that are self-insured and say that wellness needs to be a critical component. What they have found as a business decision, the more you can emphasize wellness, good nutrition, smoking cessation, regular check-ups, some have fitness trainers on site, things we wouldn't consider as an early component, but they have realized that the more you can do to keep people healthy, to make sure that their workers and their families get tests, stay out of the hospitals, that is where we can cut significant costs.

That is one of the challenges that people are spending a tremendous number of hours trying to sort out. What does that mean to lower cost? How do you make sure that we don't do unnecessary testing, and that we pay our practitioners for keeping people well, not for hospital admissions and just the times we get sick. It is a major change that we are talking about here, and there has been a lot of thoughtful

dialogue and debate, not the crazy talk that is out on some of the cable news shows, but serious dialogue about how to do this right, how to get real competition in with the insurance companies, how to help our small businesses to increase the number of people who are covered.

I have to say that in spite of the difficulties in making major change and crafting a big piece of legislation, I get excited when I think about it. I think about what would it be like to end this year and go back home to our constituents and say, We did it. We took a major step forward. We will no longer be the only Western nation that doesn't have civilized health care insurance, that hasn't worked to bring down costs. That it is affordable. It would be wonderful to say that to people.

I have to leave the floor, but I want to say in closing about my own district, we have talked a lot about the economic issues. When we talk about individual constituents, there is a part of me that believes this is a moral issue. It is a patriotic issue. It is a way of making sure that we understand that in America, we are all in this together. If my small business fails because I struggle under the cost of health insurance, or one of your constituents goes into personal bankruptcy because of cancer or another illness that wasn't covered, that is not the kind of America that I want to live in. That is not the kind of place we want to be. We want to do this because it is right for our economy, but also because we believe it is right for America.

Mr. TONKO. It expresses the character of our society and of our Nation. Obviously, there are determined individuals who understand and acknowledge that we can't fix this system with slogans or sound bites or banners that are flown at various events. It needs to get into the weeds of detail and make certain that people are protected.

Ms. PINGREE, you make reference to small business, some 13 million people, nearly one-third of America's uninsured, are employed by small and medium-size businesses, fewer than 100 employees. That is a huge number. People say to me, if we do this insurance benefit, shouldn't people be working? I say they are working; they are not getting insurance coverage.

About 15 years ago, 61 percent of our small businesses and medium-sized businesses offered employer-based health care coverage. Today that number has dropped to some 38 percent.

So the signs are there. The patterns are being developed. We cannot continue with the status quo. It is unaffordable and not sustainable.

Ms. PINGREE of Maine. Thank you for allowing me to join you.

Mr. TONKO. Mr. CONNOLLY.

Mr. CONNOLLY of Virginia. Adding to what you just said, Mr. TONKO, if we do nothing over the next 10 years, the cost to small business for health care

in America will climb to \$2.4 trillion. And that means that 38 percent that currently provide health care coverage will drop to something like 30 percent or below.

Mr. TONKO. And I am reminded with that statistic that the \$13,385 on average for a policy will grow to something greater than \$29,000. Unacceptable outcomes, and it will drive business into unprofitable situations. And it will wreak damage and pain and suffering onto our Nation and onto its families. So there has to be reform here. Absolutely there has to be reform.

When you look at it from our senior citizens' perspective, knowing there have been injustices allowed, the creation of a doughnut hole where constantly, we have talked about this, you hear from your senior citizens as constituents, where they reach in a few months the threshold where they are in that doughnut hole and they are paying out of pocket for necessary pharmaceuticals, it is unacceptable.

Mr. CONNOLLY of Virginia. It is unacceptable. Of course, an awful lot of fear was engendered by misinformation spread over the summer about what would and would not happen to Medicare. No current Medicare benefits will be in any way negatively affected by any of the legislation that we are looking at. As a matter of fact, those benefits will be enhanced by the closing of the doughnut hole that you just referred to, Mr. TONKO. That is the hole that doesn't cover the price of prescription drugs at a certain expense range for senior citizens, meaning that their out-of-pocket cost for prescription drugs goes through the roof. They often have to make very difficult choices between food and drugs at the end of the month. We want to close that doughnut hole.

Mr. TONKO. Wouldn't you have expected the voice of advocacy out in the streets to scream and yell about that outcome when it happened just 5 or 6 years ago? But no one brought to the attention or carried any anger and expressed concern to the level that you hear today. And here is the situation we are attempting to correct, a wrong that was allowed to occur, and to close that doughnut hole to allow for more freedom and to have a sensible outcome.

At one of my health care forums in my district during this August recess, I heard from people who were not taking medications simply because of that doughnut hole. I heard from a couple again who testified at one of our forums that indicated for cardiopulmonary purposes the husband needed to take medication. It was a preexisting condition so it denied them insurance coverage, and they couldn't afford out of pocket to pay for the medications. So she cheerfully shared with us that he simply doesn't take it. It has put undue stress onto the family. It has caused economic hardship, and they are without insurance.

For those who would argue that that system should be maintained, I have

my insurance, you go find yours, we are all paying. As Representative PIN-GREE indicated, we are paying for that uncompensated care, and I believe that is to the tune of some \$56 billion or \$57 billion in this country. That is a huge savings that automatically flips over to a benefit if we do wise health care policy reform.

Mr. CONNOLLY of Virginia. You know, in addition, if you actually enumerated the benefit enhancement for our seniors, Medicare stays not only intact; it gets better. We close the doughnut hole, making it easier for seniors to be able to afford and to access the prescription medications that they need.

We eliminate copayments for routine, preventive medical care, including screenings, saving seniors hundreds of dollars a year.

We improve and increase reimbursement payments to doctors who serve Medicare patients, which is a complaint we often hear from our senior citizens, that because of reimbursement rates being inadequate, doctors put a cap on how many Medicare patients they will see. And in some cases they get out of business all together. Obviously, that is not a good thing for our senior population.

This bill addresses all three of those reforms, making Medicare benefits more generous to our senior citizens, protecting the benefit base they have got, and augmenting it. Unfortunately, some of the misinformation spread in the summer would suggest otherwise, creating needless fear and stress in our senior population which relies so heavily on an efficient and effective Medicare system.

Mr. TONKO. Right. And I think the sensitivities that we need to show to these various audiences are hampered when people are including in the discussion items that are simply not in the bill, or fabricating them in a way where they suggest that there are outcomes that would be very destructive.

So this has been a very unique effort because you are trying to share information with your constituents, which I think is valuable. They can constructively build this package with us. And at the same time, you have to dispel the myths and rumors and the misinformation so we can stay on that page of fact not fiction and do what is best for Americans, for all ratepayers and for all sectors of our economy.

We earlier talked about small businesses. When you think of the benefits that come if they can have better bargaining leverage as small businesses, there is a benefit there. Our larger companies and industries haven't seen the growth in premiums that our small businesses have. They are some 18 percent greater than the larger business community.

So what we need to do here is provide that benefit by pooling these resources, allowing for better leverage in bargaining for health care premiums to stay lower. Just with the report today

that was issued, we had a growth in the last 10 years, New York State alone, they did a State by State measure, and 105 percent growth in premiums and a 44 percent growth in wages over a 10-year span.

Now, Representative CONNOLLY, I think we can all agree that is not a pattern that we can allow to continue because eventually the well runs dry, people become sicker, and the profit column is swelling for an industry that is standing between choices that should be made between a doctor and a patient.

Mr. CONNOLLY of Virginia. Absolutely. I think the numbers you just cited for New York State actually are higher than the national average, and there are regional disparities here in terms of the growth of cost. But what we do know, based on the Kaiser Family Foundation study is that the average increase in insurance premiums over the last decade was 138 percent, far outstripping the rate of inflation and far outstripping, as you point out, the growth in wages and income. As a matter of fact, that was negative.

So there is no lodestone to measure what is happening in health care; but we do know that it is fast outstripping the ability of people's income to support, and it is far and away above the rate of any inflation index, and it is going to be pushing itself beyond the index of affordability in the not-so-distant future if we don't do something in the way of health care reform.

I need to leave the floor, but I want to thank my colleague for his leadership and for providing us a forum for a civil discussion about such an important topic.

Mr. TONKO. Thank you, Representative CONNOLLY, for being a strong voice in this Chamber so as to move us all along that path of progressive reform, for an industry that is representative of every one of \$6 in the American economy. If it goes unchecked, in the short span of 30 years, it will be one in \$3. That does not make strong sense. It is a situation that will be a train wreck just waiting to happen.

Mr. CONNOLLY of Virginia. It is not sustainable. I thank my colleague.

Mr. TONKO. We thank you for joining us this evening.

As we look at the progress that we can make here, it is important for us to move forward with fact not fiction, for us to instill reforms in the insurance area that allows for catastrophic illness to be addressed so that it does not prejudice against American families that require health care insurance.

We need to move forward so as to provide portability for our American families, especially at a time when we profess that there will be career changes, job changes many times over in the work lifetime of countless individuals in this country, where if you lose a job, you shouldn't be denied your health care. Some 14,000 Americans per day are losing their health care. That is unacceptable in this Nation of plenty.

We can have a better plan. We need to make certain that wellness and prevention are underscored as very valuable, important tools in the kit that speak to the soundness of holding down costs. We do that by not allowing for copayments in that regard. We need to cap those situations that could be catastrophic by making certain that no more than \$5,000 or \$10,000 per family, some reasonable measure be there, to restrict the payments that are demanded because so many families face bankruptcy.

□ 2015

I know that if our health care measure were approved as represented before the House here, some 1,200 families in my congressional district alone would escape the woes of bankruptcy because of medical expenses.

These are issues that face America each and every day. The business community has been paying stiffly for this sort of lack of reform. Some 40 percent of our business community is reported spending more than 10 percent of their payroll on health care costs. That is a pattern that is only growing worse with time.

And our seniors have been treated unfairly, with concepts like a Medicare part D doughnut hole, situations that find them in a very few weeks into any calendar year paying dearly for pharmaceutical needs that are a life-and-death choice for them. They shouldn't limit or fractionalize what they're taking. They shouldn't avoid the pharmaceutical needs that have been required of them by the medical community.

Those are situations that need to be responded through in this debate that hopefully will be factual, that will be fair, that will be based on soundness rather than fear tactics; those that might divide this Nation unnecessarily, that may impact the chance to really reform a situation that for decades has been talked about.

I applaud the President when he said he wants to be the last President to attempt this effort and fail. He wants to achieve success for the Nation. For decades we have had many an administration push for reform but it has failed because I think there are those who resist change simply to resist it rather than open up to the discussion and the dialogue and the debate in honest measure that needs to be had so as to move forward in progressive format.

Madam Speaker, we of the freshman class thank you this evening for the time allotted. I now yield back the remainder of my time and appreciate the opportunity to discuss what I believe is a critically important issue, that of health care and insurance reform here in America.

ACORN

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Texas (Mr. GOHMERT) is recognized for 60 minutes as the designee of the minority leader.