of not just consumer advocates but the major business interests in food production and marketing.

I thank Chairman TOM HARKIN of Iowa and Senator MIKE ENZI of Wyoming for leading the markup of S. 510. I hope this bill will come to the Senate floor. I know my Republican colleagues who have joined me as cosponsors believe, as I do, this is a step in the right direction of ensuring the food supply in America is even safer.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ALEXANDER. Mr. President, would you kindly let me know when 9 minutes have expired in my remarks?

The ACTING PRESIDENT pro tempore. The Senator will be notified.

Mr. ALEXANDER. Thank you, Mr. President.

HEALTH CARE REFORM

Mr. ALEXANDER. Mr. President, not long ago, eight Democratic Senators wrote to the majority leader and said what all 40 Republican Senators have expressed and what most Americans—I think maybe 99 percent of Americans—would say we need to do. They said: Before we proceed to a vote on the health care bill that is so much in discussion across this country today, that we, No. 1, have a complete legislative text; that we, No. 2, have a complete estimate of its costs from the Congressional Budget Office; and, No. 3, it be on the Internet for 72 hours so the American people can read it—read the text, know what it costs, have time to consider both.

We are looking forward to that bill. What we know is, we have a 2,000-page bill that has been passed by the House of Representatives narrowly. The majority leader has had in his office a secret bill that he is working on which we have not seen yet.

This morning, I would like to talk about one of the reasons it is important we be able to read the text, know what it costs, and know how it affects each American. We have talked a lot about how the bills we have seen so far have the effect of raising insurance premiums, increasing taxes, cutting Medicare, and increasing the Federal debt, when what we are supposed to be doing is reducing the cost of health care for individuals and families and reducing the cost of health care to the government which is spiraling out of control in terms of deficit spending.

But all of that obscures an even more serious problem with the health care bills we have seen so far; that is, the effect on the States. As a former Governor of Tennessee, that is what I want to address for a few minutes this morning.

I picked up my newspaper in Nashville on Sunday morning, and here was the headline: ‘‘[Governor] Bredesen Faces Painful Choices as [Tennessee] Begins Budget Triage.’’ ‘‘Triage’’—that is a sort of talk usually reserved for an emergency room.

I have said several times—and some people, I am sure, thought I was being facetious—that any Senator who votes to expand Medicaid and transfer enormous costs to the States ought to be sentenced to go home and serve as Governor for 2 terms and try to implement the Medicaid Program, which is bankrupting States and ruining public higher education. I am not facetious when I say that because if we have a chance to read these bills and know what they cost, they have the potential to literally bankrupt States and ruin public higher education.

But do not take my word for it. Here is the Nashville Tennessean and the Knoxville News Sentinel writing about Governor Bredesen of Tennessee. Knoxnews.com reports: ‘‘relentless bad news.’’ Now, Tennessee is ‘‘fiscally better off than many States.’’ The ‘‘shortfall is less severe than the Bredesen administration estimate[d].’’ ‘‘But there is no quarrel,’’ according to the State’s largest newspapers, that Tennessee’s State government ‘‘faces a grim situation’’—‘‘$750 million in cuts.’’ Then things got worse because the money coming in this year is less than was expected. The Governor ‘‘has told his department heads to present him with suggestions for budget cuts of 6 percent and to include contingency plans for adding another 3 percent.’’

Those are real cuts. We talk about cuts in Washington. We talk about reducing the rate of growth. Those are not real cuts. In Tennessee and in California and in Illinois, and all across this country, cuts are cuts. You spend less this year than you did the year before.

‘‘Layoffs . . . are likely, the Governor says.’’ ‘‘This will be my toughest budget year.’’

Charles Sisk, writing in the Tennessean of November 16, says:

> Tennessee might release as many as 4,000 non-violent felons, possibly even including people convicted of drug dealing and robbery, under a plan outlined Monday by the Department of Correction to deal with the state’s budget crisis.

The National Governors Association, in an analysis last week, points out a combination of the economic downturn—the deepest since the Great Depression—and the increase in State Medicaid—now, this is not Medicare for seniors we are talking about; this is the largest program for low-income Americans, 60 million Americans for which States pay about one-third of that cost, which the health care plans we have seen intend to dump about 14 million more Americans into—spending for those programs average 8 percent growth this year, while Governors such as Governor Bredesen are making actual cuts. Well, you can imagine what that is doing to other important State programs and tuition.

The Washington Post reported what the Office of the Actuary at the Centers for Medicare and Medicaid Services said over the weekend; which is, generally speaking, when we add more people to the Medicaid Program the doctors and the hospitals who are expected to serve them will not be willing to serve them. I will say more about that in a minute.

So how in the world, in the light of these conditions, could we even be thinking about a provision in this health care bill that would add tens of billions of new costs to the States? We decide in Washington that it is a great idea to expand health care, but we send the bill to the Governors and the legislators who are in their worst fiscal condition since the Great Depression.

That is called an unfunded mandate. If we think it is such a great idea to dump 14 million more Americans into a low-income program called Medicaid—for which 50 percent of doctors will not see new patients because they are so under-reimbursed—then we should pay for it somehow in the Federal budget instead of dumping the bill onto the States.

For Tennessee, the costs will be, according to Governor Bredesen, who is a Democrat and the cochairman of the National Governors Association health care caucus—he says this will cost our State $1.4 billion over the next 5 years.

This is real money. How much money? Well, based on my experience as Governor, I do not see how the State of Tennessee could afford to pay that without instituting a new State income tax or without doing serious damage to higher education in Tennessee or both. And I believe it is true of every State in America. The majority leader thought it was true of his State, so he fixed it for his State and three others, but for just 5 years. Then what happens after the 5 years? Well, you put the bridge out on the chasm a little further and you fall off as far or maybe farther than you already would.

Forty percent of physicians, according to a 2002 Medicare Payment Advisory Committee survey, restrict access for Medicaid patients. So we are saying here we have a great health care reform bill and not only is it going to bankrupt States but it doesn’t do any favors for a great many low-income Americans, because we are putting them in a system where 40 percent of doctors won’t see them freely, and 50 percent of doctors won’t see new Medicaid patients at all. In some States, the number of doctors who will see babies, who will see children, is as low as 20 or 30 or 40 percent. So as a way of partially dealing with that, the House bill says, OK, States are going to be required to pay primary care doctors who see Medicaid patients as much as Medicare doctors are paid. That adds another big new bill to the State, runs up the State taxes, runs up the college tuition payments when the States are unable to properly fund the colleges and the universities and the community colleges. So my colleagues can see why this is so much trouble: billions more for the Federal Government; billions more for the States. Then it is like giving the low-income Americans who end up in this government program, which is expanding, a ticket to a bus line that doesn't operate half the time, because half the doctors won't see new Medicaid patients.

The ACTING PRESIDENT pro tempore. The Senator has 1 minute remaining.

Mr. ALEXANDER. Thank you very much, Mr. President.

Add to all of that the idea of dumping 14 million more low-income Americans into the Medicaid Program not only ruins States fiscally, hurts public higher education in the States, puts these patients in programs that doctors won't see; it is a program where $1 out of $10 is wasted by fraud and abuse, according to the Government Accountability Office.

Republicans suggest that instead of these comprehensive, sweeping, 2,000-page bills that raise taxes, raise premiums, raise the debt, add to State taxes, hurt higher education because of what I described, and put low-income Americans into a program that half the doctors won't see, we should move step by step to reduce costs. We should start with small business health plans that allow businesses to pool their resources and insure more people at a lower cost; allow purchasing of health insurance across State lines; reduce the number of junk lawsuits against doctors; create health insurance exchanges so more Americans can shop for cheaper health insurance; and do something about waste, fraud, and abuse. If we were to take those steps, that would be real health care reform because it would be reducing costs to the American people and to our government.

Mr. President, I ask unanimous consent that the articles I referred to earlier be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From knoxnews.com, Nov. 15, 2009]

NEWS ON STATE BUDGET GRIM

(By Tom Humphrey)

NASHVILLE—Phil Bredesen, preparing the last state budget he will present as Tennessee's governor, will begin on Monday hearing recommendations from his most trusted advisers on how to cut spending plans to account for relentless bad news.

Tennessee, according to a nationwide study released last week, is fiscally better off, than many states. Further, according to a legislative committee's staff calculations, the current state revenue shortfall is less severe than the Bredesen administration estimates.

But there is no quarrel with the general proposition that Tennessee state government faces a grim situation.

The budget plan adopted in June and now in place for the present fiscal year, which began July 1, includes the anticipation that about $750 million in cuts will be needed for the fiscal year beginning July 1, 2010—most of that amount in reductions avoided this year by using federal stimulus money.

And that was before things got worse. According to the state Department of Finance and Administration, which is part of Bredesen's administration, state tax collections are already $101.3 million less than assumed when this year's budget was enacted.

"The stimulus has kind of concealed what's been going on in terms of revenues," Bredesen said.

Overall, federal funding provides about $12.1 billion of the $29.6 billion state budget this year. General state taxes provide about $12.6 billion—the shrinking portion that funds general state government—with the rest coming from earmarked revenues such as college tuition and license fees.

The Legislature's Fiscal Review Committee staff has calculated that the state revenue shortfall currently is just $7.2 million below what it was projected back when the current budget was presented to lawmakers. An explanation of the differences gets pretty complex, including a committee estimate that the state's tax take will decline more dramatically in the next few months than does the Bredesen administration's projection of a rebound.

A VERY DEEP HOLE

But there is uniform agreement that the state's budget picture is grim.

"The state remains in a very deep hole that it is not going to climb out of in this budget year," said Jim White, executive director of the Fiscal Review Committee. "That hole is going to require very painful and drastic budget reductions across much of state government. The only question is how bad it will be."

White says $290 million in cuts will be needed in addition to the programmed $750 million in cuts.

Bredesen, accepting his staff calculations, has told his department heads to present him with suggestions for budget cuts of 6 percent and to include contingency plans for adding another 3 percent in cuts if things go even worse than expected. That process begins Monday with the Department of Education.

The state funds public schools statewide through the Basic Education Program. The governor and the Legislature avoided cuts to the BEP for the current year.

Avoiding them again, Bredesen said, will be a priority. But any increase in education funding, such as needed for making more children eligible for pre-kindergarten programs, is forgotten.

Another priority is honoring commitments to economic development projects, Bredesen has said.

Keeping education and economic development commitments whole, of course, requires deep cutting in other areas, such as the Department of Children's Services or the Department of Mental Health, which were aided by federal stimulus money this year.

EMPLOYEE FURLOUGHS AN OPTION

Layoffs of state employees are likely, the governor says, though he will look at alternatives such as furloughs.

"This will be my toughest budget year," said Bredesen, who will leave office in January 2011, after his successor is elected next year. "I hate to go out that way, but that's the way it is."

Bredesen has taken some partisan criticism for the budget situation. Senate Republican leader Mark Norris, for example, recently declared Bredesen should have made deeper cuts in the current budget in accord with a GOP proposal that the Democratic governor branded "stupid" during the legislative session.

But Senate Speaker Ron Ramsey, a Republican who is seeking his party's nomination for election as governor next year, said he generally agrees with the Bredesen approach.

"The governor is doing exactly as I'll do when I'm governor," he told reporters last week.

"It's going to be a tough budget year. The only upside is that people realize we're in tough times and it's not going to be easy."

Tennessee is apparently in better shape, fiscally speaking, than many other states.

In a rating of all 50 states' fiscal status last week, the Pew Center for the States declared that there are 10 states threatened with "economic disaster," with California leading the list. The rating assigned a score for each state, with the higher scores indicating a more dangerous financial situation.

California had a 30, and all the others in the top 10 problem states had a score of 22 or greater.

Tennessee's score was 15, the same as North Carolina. Other border states have lower scores, including Arkansas at 14 and Virginia at 13, while others had higher scores, including Kentucky at 21 and Mississippi at 20.

[From the Washington Post, Nov. 15, 2009]

REPORT: BILL WOULD REDUCE SENIOR CARE

(By Lori Montgomery)

A plan to slash more than $500 billion from future Medicare spending—one of the biggest sources of funding for President Obama's proposed overhaul of the nation's health-care system—would sharply reduce benefits for some senior citizens and could jeopardize access to care for millions of others, according to a government evaluation released Saturday.

The report, requested by House Republicans, found that Medicare cuts contained in the health package approved by the House on Nov. 7 are likely to prove so costly to hospitals and nursing homes that they could stop taking Medicare altogether.

Congress could intervene to avoid such an outcome, but "so doing would likely result in significantly smaller actual savings" than is currently projected, according to the analysis by the chief actuary for the agency that administers Medicare and Medicaid. That would wipe out a big chunk of the financing for the health-care reform package, which is projected to cost $1.05 trillion over the next decade.

More generally, the report questions whether the country's network of doctors and hospitals would be able to cope with the effects of a reform package expected to add more than 30 million people to the ranks of the insured, many of them through Medicaid, the public health program for the poor.

In the face of greatly increased demand for services, providers are likely to charge higher fees or take patients with better-paying private insurance over Medicaid recipients, "exacerbating existing access problems" in that program, according to the report from Richard S. Foster of the Centers for Medicare and Medicaid Services.

Though the report does not attempt to quantify that impact, Foster writes: "It is reasonable to expect that a significant portion of the increased demand for Medicaid would not be realized."

The report offers the clearest and most authoritative assessment to date of the effect that Democratic health reform proposals would have on Medicare and Medicaid, the nation's largest public health programs. It analyzes the House bill, but the Senate is also expected to rely on hundreds of billions of dollars in Medicare cuts to finance the package that Majority Leader Harry M. Reid (D–Nev.) hopes to take to the floor this week. Like the House, the Senate is expected to propose adding millions of people to Medicaid.

The Centers for Medicare and Medicaid Services administers the two health-care programs. Foster's office acts as an independent technical adviser, serving both the administration and Congress. In that sense, it is similar to the nonpartisan Congressional Budget Office, which also has questioned the sustainability of proposed Medicare cuts.

In its most recent analysis of the House bill, the CBO noted that Medicare spending per beneficiary would have to grow at roughly half the rate it has over the past two decades to meet the measure's savings targets, a dramatic reduction that many budget and health policy experts consider unrealistic.

''This report confirms what virtually every independent expert has been saying: [House] Speaker [Nancy] Pelosi's health-care bill will increase costs, not decrease them,'' said Rep, Dave Camp (Mich.), the senior Republican on the House Ways and Means Committee. ''This is a stark warning to every Republican, Democrat and independent worried about the financial future of this nation.''

Democrats focused Saturday on the positive aspects of the report, noting that Foster concludes that overall national spending on health care would increase by a little more than 1 percent over the next decade, even though millions of additional people would gain insurance. Out-of-pocket spending would decline more than $200 billion by 2019, with the government picking up much of that. The Medicare savings, if they materialized, would extend the life of that program by five years, meaning it would not begin to require cash infusions until 2022.

''The president has made it clear that health insurance reform will protect and strengthen Medicare,'' said White House spokeswoman Linda Douglass. ''And he has also made clear that no guaranteed Medicare benefits will be cut.''

Republicans argued that the report forecasts an increase in total health-care spending of more than $289 billion.

[From the Knoxville News Sentinel, Nov. 15, 2009]

BREDESEN FACES PAINFUL CHOICES AS TN BEGINS BUDGET TRIAGE

(By Tom Humphrey)

Phil Bredesen, preparing his last state budget as Tennessee's governor, will begin on Monday hearing recommendations from his most trusted advisers on how to cut spending to account for relentless bad news.

Tennessee, according to a nationwide study released last week, is fiscally better off than many states. Further, according to a legislative committee's staff calculations, the current state revenue shortfall is less severe than the Bredesen administration estimates.

But there is no quarrel with the general proposition that Tennessee state government faces a grim situation.

The budget plan adopted in June and now in place for the present fiscal year, which began July 1, includes the anticipation that about $750 million in cuts will be needed for the fiscal year beginning July 1, 2010—most of that amount in reductions avoided this year by using federal stimulus money.

And that was before things got worse. According to the state Department of Finance and Administration, which is part of Bredesen's administration, state tax collections are already $101.3 million less than assumed when this year's budget was enacted.

[From the Tennessean, Nov. 16, 2009]

STATE MAY RELEASE PRISONERS TO CUT COSTS

(By Chas Sisk)

Tennessee might release as many as 4,000 non-violent felons, possibly even including people convicted of drug dealing or robbery, under a plan outlined Monday by the Department of Correction to deal with the state's budget crisis.

Correction Commissioner George Little said the department would have no choice but to recommend early release of inmates if it were to implement the budget cuts called for by Gov. Phil Bredesen. The department has already squeezed out savings and left more than 300 positions unfilled, and it is relying heavily on federal stimulus funding in its current budget, he said.

''This isn't scare tactics,'' he said. ''We've got to make ends meet. . . . We would not propose these sorts of very serious and weighty options if we were not in such dire circumstances.''

Bredesen, who does not have to submit his budget plan until Feb. 1, did not commit to the plan.

''If you were going to take that dramatic step, I would only want to do it with the assurance that I got the budget savings I would expect,'' Bredesen said.

The plan, which Little described on the first day of state budget hearings, would involve releasing prisoners from local jails, saving the department in per diem expenses.

To meet Bredesen's goal of cutting 6 percent, or $35 million, from the Department of Correction's budget, as many as 2,155 inmates held in local jails would need to be released, Little said. Another 1,078 prisoners would need to be released from the state's jails if Bredesen were to call for an additional cut of 3 percent, as the governor has indicated he might do.

Alternatively, the department could close one or two of the state's 14 prisons, a move that would result in the release of about 4,000 felons. Such a move would likely result in the release of more dangerous criminals, but it would prevent local sheriffs, judges and district attorneys from replacing inmates who were released with other criminals.

In either scenario, the department would aim to release inmates who had committed Class C, D or E property crimes. Class C felonies include crimes such as drug dealing, bribery and simple robbery and carry a sentence of three to 15 years. Class D and Class E felonies are less serious crimes.

The state currently has about 19,700 in its prisons, but the department already had plans to reduce that population to 18,500 inmates with the closure of the state prison in Whiteville at the end of next year. Most of the budget for that facility had come from the $48 million in federal funding that the department is getting during the current fiscal year—money that will largely disappear once the stimulus program has run its course.

''We've, frankly, exhausted all of our options other than, frankly, prison population management,'' Little said.

THE STATE FISCAL SITUATION: THE LOST DECADE

The fiscal condition of states deteriorated dramatically over the last two years because of the depth and length of the economic downturn, and state officials do not expect this situation to improve any time soon. Previous downturns have proven that the worst budget years for a state are the two years after the national recession is declared over. States' recoveries from the current recession, however, may be prolonged with most economists projecting a slow and potentially jobless national recovery. Moreover, even when recovery begins, states will continue to struggle because they will need to replenish retiree pension and health care trust funds and finance maintenance, technology and infrastructure investments that were deferred during the crisis. They will also need to rebuild contingency or rainy day funds. The bottom line is that states will not fully recover from this recession until late in the next decade.

The Current Situation—The recent economic downturn started in December 2007 and likely ended in August or September 2009, making it one of the deepest and longest since the Great Depression. State revenues were down 4.0 percent in the last quarter of calendar year 2008, and 11.7 and 16.6 percent in the first two quarters of 2009, respectively. These findings are consistent with the Fiscal Survey of States estimate that state revenues declined 7.5 percent in fiscal year (FY) 2009, which for most states ended June 30, 2009.

Revenues will likely continue down for another one or two quarters before turning up slowly. This precipitous drop in state revenues is consistent with past recessions in which the trough in state revenue generally coincides with the peak in unemployment. Most economists forecast that unemployment will continue to increase for several months and possibly into the first quarter of 2010.

Similarly, Medicaid spending, which is about 22 percent of state budgets, averaged 7.9 percent growth in FY 2009, its highest rate since the end of tile last downturn six years ago. Medicaid enrollment is also spiking, with projected growth of 6.6 percent in FY 2010 compared with 5.4 percent in 2009. The combination of falling revenues, which accompany high unemployment,and an explosion in Medicaid enrollment, which occurs very late in an economic downturn, explain why a recession's greatest impact on state budgets occurs one to two years after the downturn is over. States' budget problems are reflected in the latest Fiscal Survey of States, which shows states closed budget gaps of $72.7 billion in FY 2009 and $113.1 billion in FY 2010. This includes tax and fee increases of $23.8 billion in 2010. Even with cuts and tax increases, states are experiencing new budget shortfalls totaling $14.5 billion for 2010 and $21.9 billion for 2011. Given projected revenue shortfalls, however, these shortfalls will increase dramatically over the next several months.

The American Recovery and Reinvestment Act (ARRA)—Of the $878 billion in ARRA funds, about $246 billion came to or through states in more than 40 programs. Most importantly, the $87 billion in Medicaid funds and the $48 billion in state stabilization funds were flexible and allowed states to offset planned budget cuts and tax increases. The Medicaid funds allowed states to reprogram state funds that were originally to fund Medicaid expansions, while the education money was targeted for elementary, secondary and higher education, which represents about one-third of state spending. If Congress had not made these funds available, state budget cuts and tax increases would have been much more draconian and devastating to state governments, their employees and citizens. Both the ARRA Medicaid and education funds expire at the end of December 2010. States must plan for the serious cliff in revenues they will face at that time.

The Recovery Period—While there is still uncertainty regarding the shape of the recovery, there seems to be a growing consensus that it will be slow. Numerous studies project that state revenues will likely not recover until 2014 or 2015. A recent forecast by Mark Zandi at Economy.com showed that the national unemployment rate, which straddled 5.5 percent during the 2001–2007 period, will not attain that level again until 2014. Similarly Zandi's latest forecast indicated that state revenues will not return to the 2008 level in real terms until FY 2013. As mentioned above, until employment improves, state revenues will continue to struggle. Work by the Nelson A. Rockefeller Institute of Government similarly indicates that per capita real revenues will not reach the 2007 level until 2014. Making matters worse, economist Robert Kuttner has indicated that the states' fiscal shortfalls will be about $350 billion over the next several years.

Deferred Investments—Even when recovery begins in the 2014–2015 period, states will be faced with a huge ''over hang'' in needs and will have to accelerate payments into their retiree pension and health care trust funds, as well as fund deferred maintenance and technology and infrastructure investments. They will also have to rebuild contingency or rainy day funds. All of these needs were postponed or deferred during the 2009–2011 period and will have to be made up toward the end of the decade. According to a 2007 Pew Center on the States report, states have an outstanding liability of about $2.73 trillion in employee retirement, health and other benefits coming due over the next several decades, of which more than $731 billion is unfunded.

The bottom line is that states will continue to struggle over the next decade because of the combination of the length and depth of this economic downturn and the projected slow recovery. Even after states begin to see the light, they will face the ''over-hang'' of unmet needs accumulated during the downturn. The fact is that the biggest impact on states is the one to two years after the recession is over. With states having entered the recession in 2008, revenue shortfalls persisting into 2014 and a need to backfill deferred investments into core state functions, it will take states nearly a decade to fully emerge from the current recession.

Mr. ALEXANDER. I thank the Chair and yield the floor.

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

Mr. JOHANNS. Mr. President, thank you. I rise today to also speak about health care. I will tell my colleagues when the Senator from Tennessee was talking about Medicaid, we former Governors can relate to what he was saying. I had the opportunity, as the Presiding Officer knows, to be Governor of Nebraska for 6 years, and Medicaid was an enormous challenge. It is eating up State budgets. States are struggling. My own State, which has done better than just about every other State in the country, is in special session today trying to figure out how to find cuts of about $330 billion, which is a lot of money in our State. Plus, there are these tremendous access problems, how to get people into Medicaid. So I wish to associate myself with his comments.

I wish to speak today, if I could, about some townhall meetings I had back home in Nebraska this last week. As soon as we recessed, I headed home. In about 48 hours we had four townhall meetings. Boy, if I were to give some advice, I would say whenever this bill comes out we should call a recess for a week. We should all agree upon it in a bipartisan way, and we should go home, and we should listen to the people. I got so much good prairie wisdom, as I call it, from the folks back home. I wish to talk about that today.

One of the things I talked about as I was making my presentation is the proposed Medicare cuts and the impact it has on Nebraskans, real people. The impact on the current Nebraska health care delivery system cannot be denied. DISH hospitals we estimate today—and again we will see the final bill and we will figure out what the exact numbers are—but the estimate is there will be $142 million in cuts to those hospitals. Our nursing homes across the State that do such a great job with our senior population estimate cuts of about $93.2 million. Home health is a program I have always respected and what they do. The idea is, if we can keep people in their home longer versus a nursing home, that saves money. So I promoted it as a Governor and I promote it now. They are projecting $126 million in cuts. By 2016, it is estimated that 66 percent of Nebraska home health agencies will be operating in the red. Then, hospice estimates they will have a 12-percent payment reduction. That is a real impact on services because in our hospice systems, oftentimes people are driving long distances to provide that service. Then Medicare Advantage, which is a popular program back home, especially with poor citizens in rural areas—about 35,000 Nebraskans currently have plans, and as my colleagues know, that has a big bull's-eye on it for cuts. Some say that wasn't a very good program, but I will tell my colleagues the people who have that program like it.

Citizens came to me and they shared concerns about access to care. They shared concerns such as: Is this going to bring down the cost of health care? Those are promises that have been made as this health care debate has unfolded. Our President has made those promises. Questions were raised such as: How about Medicare? What impact will it have? Are there going to be negative impacts? Today, as I did during the townhalls, I wish to try to address these questions.

In fact, I wrapped up my townhalls on Friday in Lincoln, NE, and then the experts over at the Center for Medicare and Medicaid Services actually answered these questions for us. On Saturday, the following day, the chief actuary of the Obama administration's CMS released a report that analyzed the recently passed House legislation. Why is that important? It is important because the House has finished its work for now and, ultimately, if the Senate were to pass a bill, it is the House bill and the Senate bill that will be conferenced. It concluded this: There are decreases in access to health care services. Medicare payments to hospitals and nursing homes are reduced over time based on certain productivity targets.

The idea is that by paying institutions less money, they will be forced to become more productive. I will tell my colleagues that in Nebraska, if you have a critical access hospital in a rural area and it is serving 25 patients, today they are as productive as they can possibly get. If you have a nursing home in a small community and your idea as the Governor or as the family is that a loved one can stay close to home, they are about as productive as they can get.

Congress could intervene and say, well, we are not going to make those cuts in the years to come, but the actuary said, and I am quoting: ''So doing would likely result in significantly smaller actual savings.''

So there we have it. We have experience in this area where every year Congress doesn't take the action, And it doesn't bend the cost curve, according to this expert.

Earlier this year the President said—and I am quoting—that this ''will slow the growth of health care costs for our families, our businesses, and our government.''

Yet CMS forecasts an actual increase in total health care spending of more than $289 billion over the next 10 years. I am quoting here again from that report:

> With the exception of the proposed reductions in Medicare payment updates for institutional providers, the provisions of H.R. 3962 would not have a significant impact on future health care cost growth rates. In addition, the longer-term viability of the Medicare update reductions is doubtful.

In other words, Health and Human Service experts don't believe it is even viable to make the kinds of cuts that are proposed long term. Even if Congress has the will to make the cuts, health care costs are going up, not down. Let me repeat this. This bill drives up the cost of health care, not down. Astounding, absolutely astounding.

It doesn't allow you to keep the plan if you like it. How many times was that promise made? By 2014, Medicare Advantage enrollment would drop 64 percent from 13.2 million to 4.7 million because benefits would be cut. Every single advocacy group for senior citizens should be on the phone today calling Senators to say, Don't go there. This hurts seniors. Also, insurance plans will have to be government approved. In our State, I saw an estimate that said 61 percent of our plans are not going to be in compliance and would have to be changed.

When it comes to health care, it is often suggested to get a second opinion. Well, I think here in the Senate we should follow this advice. Before we perform major surgery, very high-risk surgery on the Nation's health care system—16 percent of our economy—we should get a second opinion. That is why I sent a letter to the majority leader last Thursday and I asked for a CMS actuary to analyze the Senate bill before it is voted on so we can determine if the legislation bends the cost curve, and I am proud to report today that already I have 24 colleagues joining me in signing that letter. All we are doing is asking the majority leader: Please get a second opinion before you perform this high-risk surgery on our health care system.

I will tell one last story from a townhall meeting that occurred in Grand Island, NE. This will be my last thought. A young man gets up and he says this, and I am quoting:

What will you do to me and my generation, to me and my child? Will you ransom my future for your own?

Our best intentions might end up destroying his American dream and the dream of his child. This is high risk, what we are doing here. Let's get the best opinions we can before we act.

Thank you, Mr. President. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota is recognized.

Mr. THUNE. Mr. President, how much time remains on our side?

The ACTING PRESIDENT pro tempore. There is 9 minutes 15 seconds remaining.

Mr. THUNE. Mr. President, I wish to say to my colleague from Nebraska, former Governor and now Senator from that State, that I am one of the signatories on the letter he has sent requesting we get cost data before we move forward with this and what the impact is going to be, because that is the issue.

I have listened to some of the discussion that has occurred on the floor this morning. The Senator from Illinois was down here earlier, Mr. DURBIN, saying that the Republicans are attacking the House bill. Why are they attacking the House bill? Why aren't they talking about the Senate bill? Well, it is very simple. There is no Senate bill. It is being written behind closed doors. We have not been included in any of that. We have not been privy to any of the discussions that are occurring behind closed doors. So when we come down here and talk about health care reform, we are confined to talking about the House-passed bill because there isn't a Senate bill.

There are two Senate versions that have passed Senate committees. The Finance Committee has passed a bill. The Health, Education, Labor and Pensions Committee has passed a bill. But the merger of those bills is occurring behind closed doors in direct contradiction of what was promised earlier about health care reform. President Obama said when we do health care reform, it is going to be an open, transparent process. The American people are going to be able to observe this. In fact, it is going to be done on C–SPAN. Well, nothing could be further from the truth, because it is all happening behind closed doors.

So when we come out here and talk about health care reform, we are left with talking about a House bill because there is no Senate bill. We are told that this week we are going to see it, and I hope that is the case, because we would love to be able to react to the Senate bill and we would love to know what it is going to cost, and the American people would love to know what it is going to cost. We would also love to have some time to look at it before we start voting on it in the Senate.

My understanding is this is going to be a compressed schedule. They are going to try to get a vote this week on a motion to proceed to this bill, and come back after Thanksgiving and try to rush this through the Senate before the Christmas holiday, a bill that represents one-sixth of the American economy. The House bill was 2,200 pages long and the Republicans were allowed 1 amendment, 1 amendment in the House. I think we are going to have to make sure, in the Senate, this gets done right. That will take some time.

When the No Child Left Behind legislation was debated in the Senate, it took 7 weeks on the floor. We had a comprehensive energy bill a few years ago that took 8 weeks on the floor of the Senate. The farm bill that passed in the last session took 4 weeks on the floor of the Senate. We need to make sure this gets done in the right way for the American people. We don't even have a bill yet. That is why we are down here talking about the bills that were so far out there.

The Senator from Illinois also said the main concern the American people have is cost—costs keep going up. I had a roundtable in my State, in Sioux Falls, last week. The Governor, Governor Rounds, participated, as did several small business owners, including a restaurant owner, a retail pharmacy, a chain drugstore manager, and a small business owner who manufactures wood products.

They were all concerned about the same thing—costs. They said: How are we going to provide good coverage to our employees? What are we going to do if this massive expansion of the Federal Government—$3 trillion, when it is fully implemented—passes and when all the costs are going to be passed on to business? How are we going to be able to continue to cover our employees? What will that mean for people in terms of coverage?

I agree with the Senator from Illinois, who said cost is the issue. That is what I care about, and that is what the people in South Dakota care about. How do we get the cost for health care and health care coverage down?

The ironic thing we have seen about all these bills so far is none of them does anything to get costs down. All of them increase costs. So the so-called curve we talk about—bending the cost curve down—isn't happening under any of these bills. We have not seen the Senate bill because it is still being written behind closed doors. The House-passed bill—the 2,200-page monstrosity that passed the House of Representatives earlier—and the Senate bills we have seen so far that have been produced by committees all have the same basic characteristics about them. The first one is, they raise taxes substantially. They raise taxes—in a contradiction of promises made by the President—on people making less than $200,000 and those making less than $100,000. In fact, because of the individual mandate in the House-passed bill, people making $22,800 a year and up to $68,400 a year will see a huge tax increase that will hit them. Small businesses, because of the pay-or-play mandate, which under the House bill supposedly raises $135 billion, are going to see their taxes go up. The high-income earners making $500,000 and above will see their taxes go up because there will be a surtax applied to the high-income earners.

The problem with that is, this doesn't just hit high-income earners, it hits small businesses because of the way they are organized, as subchapter S corporations or LLCs, to file on their individual tax returns. CBO has said one-third of the tax increases targeted at the so-called rich will hit small businesses, which are the job creators in our economy, the engine of economic recovery in America. They say three-quarters to two-thirds of our jobs are created by small businesses. We are going to raise taxes on them. In fact, the highest marginal income tax rate, if this passes, next year, with the expiration of tax cuts that were enacted in 2001 and 2003, will go from 35 percent to 46.4 percent. That is the highest marginal income tax rate we have seen in 25 years. It is going to hit squarely small businesses that we are relying on to try to get us out of this recession and create jobs. This health care reform is all financed with higher taxes, with Medicare cuts.

I talked about the characteristics consistent with regard to all these proposals: You have higher taxes, and you have Medicare cuts to the tune of one-half trillion dollars a year, which, as my colleagues already pointed out this morning, are going to hit not only providers but also seniors. Medicare Advantage Program seniors will see benefits cut. So you have the individuals impacted, the providers impacted, and, of course, you have most Americans impacted in one way or another by the tax increases.

The final point is the most important; that is, the other characteristics these plans have in common, in addition to higher taxes and Medicare cuts, are higher health care costs and higher premiums. The CMS actuary came out last week with a report describing the House-passed bill, and it says it is going to increase the cost of health care in this country by $289 billion. We spend 17 percent of our GDP on health care today. Under that bill, it would go up to 21.1 percent, if we did nothing. We would be better off in terms of the costs that will be passed on to people in the form of higher health care expenses. It said we are going to see increased costs and that we are going to see, the chief actuary concluded, 12 million people lose their employer-sponsored coverage because small employers would be inclined to terminate coverage so workers would qualify for heavy subsidies through the exchange.

The biggest number of people who will be covered will be those who are pushed into Medicaid, which, under this proposal, does expand significantly. The problem with that is, it passes on enormous costs to the States. You heard the former Governor of Nebraska and the former Governor of Tennessee talk about that. My Governor, Governor Rounds, in South Dakota, said we are going to be faced with $134 million in increased costs to the States to pay for this because Medicare is a partnership between the States and the Federal Government. So any benefit we get—about 60 percent of the people who will get coverage because of the bill will get it through Medicaid at an enormous additional cost to the States, which will be passed on to the taxpayers in the individual States.

So you will have higher taxes on small businesses, higher taxes on individuals, and you will have Medicare cuts that will impact seniors and providers. The amazing thing about all this is you are going to have higher health care costs when it is all said and done. It is remarkable that anything could be called health care reform that raises costs the way these proposals would do.

Finally, in response to what the other side has said, which is that Republicans don't have alternatives, that is wrong again. Republicans have proposed step-by-step solutions that would do this right, so it would drive down the costs, such as interstate competition, allowing people to buy insurance across State lines; small business group health plans, which would give businesses the advantage of group purchasing power, tort reform. We have a range of things we hope we have an opportunity to get to. We have to defeat this $3 trillion monstrosity.

I yield the floor.

The PRESIDING OFFICER (Mr. BEGICH). The Senator from Oklahoma is recognized.

Mr. INHOFE. Mr. President, during the course of the day today—and I feel I can do this since it is my birthday—I had five different subjects I wish to cover. I will make one comment about the talk just given—the eloquent speech just given by the Senator from South Dakota.

I think the thing that surprises most people is, we will have meetings and people will say: Wait a minute, you don't even know what is in the Senate bill being written up behind closed doors. The comments we are making—most of them—refer to the bill passed in the House. The reason for that is, that is the only thing we have to talk about.

I ask unanimous consent that I be recognized until such time as we move on, and I understand that is 11:20.

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

GUANTANAMO BAY

Mr. INHOFE. First of all, right after the conference luncheon, we are going to have my amendment having to do with Gitmo. This is a very simple one-page amendment that states that none of the funds appropriated, or otherwise made available by this act—on MILCON—or any prior act may be used to construct or modify a facility or facilities in the United States or its territories, to permanently or temporarily hold any individual who is detained as of October 1 of 2009 at Gitmo.

You might wonder, we have been talking about this, and I have actually had pass two amendments that do almost the same thing. We passed an amendment to the 2007 resolution 94 to 3—a bipartisan amendment to the war supplemental offered by me and Senator INOUYE from Hawaii. It passed 90 to 6 in the current Senate Defense appropriations bill. It is in conference. My concern is, in conference, it may be removed. Keep in mind, we sent this language to conference once before, and it came back and merely said that if the President announces a plan of what to do with those individuals who are incarcerated at Gitmo, we would have 45 days to discuss that. It doesn't say we have to agree with the plan he gives.

Consequently, there are no teeth in that. This may be our only chance. This is an issue that has always passed by over 90 votes. So I will have that amendment. I hope people will understand the whole country was upset when they found out on Friday the 13th—and that was kind of an interesting day for this—when Khalid Shaikh Mohammed, as announced by the President, was going to be tried in New York City, and they were going to move five terrorists into the New York City area. I will not debate this thing. It has been worn out in the press.

People realize that if we are going to bring these terrorists to the United States, they will become targets for terrorist activities. Besides that, you cannot try someone under our court system who should be tried under a tribunal. The rules of evidence are different, and we have a perfect place for that down in Gitmo. Again, I will be offering that amendment.

PRESIDENTIAL TRIP TO CHINA

Mr. INHOFE. Mr. President, I wish to talk about the President's trip to China. It appears evident—which we have known all along—that we are not going to be passing anything in this country on cap and trade. We have the bill that is up right now by Senators KERRY and BOXER, who have talked about this now for 8 years. Every time they talk about it, there is more and more opposition to it. Right now, the interesting thing is that the most recent polling shows that only 4 percent of the American people think this is a problem. Four percent are wrong and the 96 percent are right.

Nonetheless, in China, keep in mind, their output of CO_2 emissions could amount to twice the combined emissions of the world's richest nations, including the United States, the European Union, and Japan. Consequently, the problem there is China, India, Mexico, and the developing countries. We all know nothing will pass this body that doesn't treat the developing countries as developed nations.

I will not dwell on this. At a later time, I will. I plan to make a very long—well over an hour—talk. I am trying to get some time now to do that. This will be the fifth time I have done this in the last 6 years concerning this particular subject, which is the alleged global warming attached to the CO_2 emissions.

I will say this: As far as what is going on right now in China, the Chinese are not going to line up and agree, in Copenhagen or anyplace, to start reducing their own emissions. Frankly, they are the ones who are the big beneficiaries. This is kind of interesting, because even if we did it and the developed nations did it, it still wouldn't have any material reduction in CO_2. Even if you believed CO_2 or anthropogenic gases caused global warming or climate change, it is still not going to work, as Tom Quigley said it would back when Senator Gore—Vice President Gore at that time—tried to do a study to determine what wonderful things would happen if we joined the Kyoto treaty. The question was, to his own scientists: If all nations, all developed nations, including the United States, the European Union, and all of them, were to sign the Kyoto treaty and live by its emission requirements, how much would it reduce the temperature? Tom Quigley, a renowned scientist, came out with this report and said it would reduce it by less than seven one-hundredths of 1 degree Celsius by 2050. So all of the pain, all of the taxes, the largest tax increase in the history of America, and it does not reduce anything. Consequently, I don't think it is necessary to belabor that. China is not going to do it, no matter what the President does on his trip to China.

HAMILTON NOMINATION

Mr. INHOFE. As I am rounding third and heading home, I am concerned that we are going to be voting this afternoon on the nomination of David Hamilton to be a judge on the Seventh Circuit Court of Appeals. I think Hamilton is, without question, a liberal activist judge. He believes judges do not simply interpret the Constitution of the United States but that judges have the power to actually change the Constitution when deciding cases, stating that—this is his quote, Mr. President—''part of our job here as judges is to