subsection against a payment system or person described in paragraph (2)(B), the Federal functional regulators and the Federal Trade Commission shall consider the following factors:

''(I) The extent to which the payment system or person knowingly permits restricted transactions.

''(II) The history of the payment system or person in connection with permitting restricted transactions.

''(III) The extent to which the payment system or person has established and is maintaining policies and procedures in compliance with regulations prescribed under this subsection.

''(8) TRANSACTIONS PERMITTED.—A payment system, or a person described in paragraph (2)(B) that is subject to a regulation issued under this subsection, is authorized to engage in transactions with foreign pharmacies in connection with investigating violations or potential violations of any rule or requirement adopted by the payment system or person in connection with complying with paragraph (7). A payment system, or such a person, and its agents and employees shall not be found to be in violation of, or liable under, any Federal, State or other law by virtue of engaging in any such transaction.

''(9) RELATION TO STATE LAWS.—No requirement, prohibition, or liability may be imposed on a payment system, or a person described in paragraph (2)(B) that is subject to a regulation issued under this subsection, under the laws of any state with respect to any payment transaction by an individual because the payment transaction involves a payment to a foreign pharmacy.

''(10) TIMING OF REQUIREMENTS.—A payment system, or a person described in paragraph (2)(B) that is subject to a regulation issued under this subsection, must adopt policies and procedures reasonably designed to comply with any regulations required under paragraph (7) within 60 days after such regulations are issued in final form.

''(11) COMPLIANCE.—A payment system, and any person described in paragraph (2)(B), shall not be deemed to be in violation of paragraph (1)—

''(A)(i) if an alleged violation of paragraph (1) occurs prior to the mandatory compliance date of the regulations issued under paragraph (7); and

''(ii) such entity has adopted or relied on policies and procedures that are reasonably designed to prevent the introduction of restricted transactions into a payment system or the completion of restricted transactions using a payment system; or

''(B)(i) if an alleged violation of paragraph (1) occurs after the mandatory compliance date of such regulations; and

''(ii) such entity is in compliance with such regulations.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the day that is 90 days after the date of enactment of this Act.

(c) IMPLEMENTATION.—The Board of Governors of the Federal Reserve System shall promulgate regulations as required by subsection (h)(7) of section 303 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 333), as added by subsection (a), not later than 90 days after the date of enactment of this Act.

SEC. 10009. IMPORTATION EXEMPTION UNDER CONTROLLED SUBSTANCES IMPORT AND EXPORT ACT.

Section 1006(a)(2) of the Controlled Substances Import and Export Act (21 U.S.C. 956(a)(2)) is amended by striking ''not import the controlled substance into the United States in an amount that exceeds 50 dosage units of the controlled substance.'' and inserting ''import into the United States not more than 10 dosage units combined of all such controlled substances.''.

SEC. 10010. SEVERABILITY.

If any provision of this title, an amendment by this title, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this title, the amendments made by this title, and the application of the provisions of such to any person or circumstance shall not affected thereby.

SEC. 10011. SENSE OF THE SENATE REGARDING REPORTING.

(a) IN GENERAL.—It is the sense of the Senate that, beginning 180 days after the date of enactment of this Act, and every 180 days thereafter, the Secretary of Health and Human Services should report to Congress on the status of the progress of the provisions of this title (and the amendments made by this title) to permit the importation from certain approved countries of safe and affordable prescription drugs approved by the Food and Drug Administration.

(b) CONTENTS.—Any report submitted under subsection (a) should include a description of the steps being taken by such Secretary to ensure that the implementation of this title (and the amendments made by this title) results in—

(1) the effective oversight of drugs, pharmacies, manufacturers, and registration of importers and exporters in accordance with this title (and such amendments);

(2) a safe prescription drug supply for American consumers; and

(3) cost savings to American consumers.

ORDERS FOR SUNDAY, DECEMBER 13, 2009

Mr. BEGICH. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 1:30 p.m., Sunday, December 13; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of the conference report accompanying H.R. 3288, the consolidated appropriations bill, as provided for under the previous order; and that following any leader remarks, the time until 2 p.m. be equally divided and controlled between the two leaders or their designees.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

PROGRAM

Mr. BEGICH. Mr. President, at 2 p.m., the Senate will proceed to a rollcall vote on the adoption of the conference report to accompany H.R. 3288, the consolidated appropriations bill.

ORDER FOR ADJOURNMENT

Mr. BEGICH. Finally, Mr. President, I ask unanimous consent that following the remarks of Senator THUNE and Senator ENZI, the Senate adjourn under the previous order.

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

The Senator from South Dakota.

OMNIBUS APPROPRIATIONS AND HEALTH CARE REFORM

Mr. THUNE. Mr. President, I want to address the issue of health care reform, of course, which is the main reason Congress is here this weekend and was here last weekend, and in all likelihood will be here next weekend. But I also think it is important we put these things into an overall context and take a look at the bill we are voting on right now.

We are going to have a vote on final passage tomorrow. We had a cloture vote this morning on a spending bill, and the spending bill—which represents six, I think, appropriations bills that did not get done earlier this year—represents a package of spending that overall increases by 12 percent over last year.

That is an interesting number, given the fact that the Consumer Price Index—which is the sort of, if you will, conduit to which a lot of these decisions that are made around here is tied; in other words, the CPI is what we view to be inflation; and sometimes we say we mark up bills at inflation or inflation plus this or inflation plus that—where the CPI was, ending on October 1 of this year, about two-tenths of 1 percent but in the negative column.

So you have a CPI that is actually negative, an inflation index that is actually negative for most Americans. This, again, is representative of the totality of our economy and what things cost, and that is a lot of times how appropriations bills are measured.

So you have a CPI, Consumer Price Index, that is running in the negative, and yet you have appropriations bills—this one representing, again, as I said earlier, six appropriations bills, individual appropriations bills that did not get done earlier—packaged into one big spending bill that is a 12-percent increase over the previous year.

How can we go to the American people and justify year-over-year spending increases that are 12 percent, when they are having to balance their budgets and tighten their belts and live in an economy where some people are losing their jobs? But certainly everybody is trying, struggling to survive out there. That is true for small businesses. That is true for families. That is true for pretty much everybody, it seems, except the Congress.

Here in Washington, DC, we seem not to be listening to what is happening in America. We are marking up spending bills at 12 percent over last year's level, at a time when the CPI is actually running in the negative—when you have negative cost-of-living increase. Yet we are marking up appropriations bills that represent a 12-percent increase over last year's spending level?

Put that on top of a stimulus bill that passed earlier this year that, with interest, is a $1 trillion spending bill. So you have a $1 trillion spending bill with interest passed earlier this year, much of which went to the very same

Federal agencies that are going to benefit from this 12-percent increase over last year in annual appropriations. So you have a $1 trillion stimulus bill, you look at appropriations bills—again, this being representative of most of the bills this year—that year-over-year increase at 12 percent, at a time when most Americans are having to tighten their belts.

We hear that. We also hear that TARP is now going to be used as a slush fund, so to speak, to pay for all kinds of other government spending. In other words, they have decided—at least, I think the administration has—to use the TARP fund as sort of a ''pay for'' for lots of things they want to do.

Most of us know that the TARP fund was created specifically to stabilize our financial markets, to prevent what we thought at the time was going to be an imminent financial collapse. That purpose has been served. I have a bill that would end TARP at the end of this year on December 31. If it is not allowed to expire at the end of this year, when it is set to expire—if it is not allowed to expire, if it is extended and it goes well into next year—it can be used, as I said, for all these other things that politicians have designs on doing.

So my legislation would end it at December 31 of this year, as was intended, and make sure any funds that are paid back in from loans that have been made or assets that have been acquired actually go back to the Treasury to pay down the Federal debt. Because that is what, in fact, TARP was intended to do. Once the job was accomplished, it was not to become a ''grab bag'' and ''found money'' for Congress to use for all these other things.

You have the TARP fund now morphing and evolving into this sort of political slush fund to be used for all these other spending priorities. You have the stimulus, this $1 trillion stimulus bill, out there. You have this appropriations bill with a 12-percent year-over-year increase over last year's level. On top of all that, we pile on a $2.5 trillion expansion of the Federal Government in Washington to pay for a new entitlement program with the health care reform bill that has been, is being debated in the Senate in the last week and in the week to come.

So at some point you have to say—and I think the American people look at us and say—enough already. I think that is what they are saying. I think the reason we are seeing these public opinion polls that are turning a thumbs-down on this massive expansion of the Federal Government here in Washington to fund health care is because the American public is becoming increasingly uncomfortable with the idea that the Federal Government continues to run the credit card up.

The stimulus money was all borrowed money. The TARP money is borrowed money. The appropriations bills, for the most part, this year are—or for a large part, at least—borrowed money. Mr. President, 43 cents out of every dollar the Congress spent in the last year—the fiscal year ending September 30—was borrowed money.

We continue to borrow and borrow and pass on the debt to future generations. We cannot continue to do that and expect to have a future that enjoys the same level of prosperity and the same level of economic growth and vitality we have experienced in the past. You cannot continue to pile up these massive amounts of debt. The Federal debt is going to double in 5 years, it is going to triple in 10, if we continue on the current path. Right now, I do not see anything that is going to put any brakes on this.

The capacity and the appetite and the willingness and the inclination of Washington, DC, and politicians here to continue to spend and spend seems to be unlimited. At some point, we have to put the brakes on. We have people who have a foot on the pedal. The Democratic majority in the House of Representatives, the Democratic majority here in the Senate, the White House, all have their feet on the accelerator. Somebody has to put on the brake. That is what we are trying to do.

That is why I think it is important we end TARP before it gets misused and spent for all these other things and why it is important we rein in these appropriations bills. We are doing everything we can to stop this appropriations bill from being passed at a 12-percent increase over last year's level. And we are doing everything we can, I would say, to stop this massive expansion—$2.5 trillion expansion—of the Federal Government to fund the new health care entitlement, at a time when we have all these other debt problems and deficits, as far as the eye can see.

So I wanted to, in shifting gears, paint that as sort of the context against which this whole health care debate is occurring. But I want to shift, if I could, to some of the more recent developments with regard to the debate over health care.

I think there are a couple things that, to me, are game changers in terms of the debate. One of those, of course, is the study that came out yesterday from the CMS, or the Centers for Medicare & Medicaid Services, the Actuary who points out the health care reform bill that is currently before the Senate will not drive health care costs down but will, in fact, increase health care costs by $234 billion, and that today, about one-sixth of every dollar we spend is on health care; that 10 years from now, in 2019, that will be almost 21 percent—that is what the CMS Actuary said—that the total amount we spend on health care in this country—which today is about 17 percent—10 years from now will be almost 21 percent. So the amount spent on health care as a percentage of our gross domestic product goes dramatically up, not down. And $234 billion is what the CMS Actuary said health care costs would go up by in the next 10 years.

Of course, we had previously the CBO essentially saying the same thing. The Congressional Budget Office—for those who live outside of Washington, DC—is sort of the nonpartisan estimator, if you will, of what a lot of these Federal programs are going to cost.

The Congressional Budget Office said that under the bill put forward by the Senate majority here, the Democratic leadership in the Senate, you would actually increase health care spending by $160 billion over the next 10 years, again bending the health care cost curve up, not down. So now you have the experts—the Congressional Budget Office, the Centers for Medicare & Medicaid Services Actuary—all saying health care costs are going to go up, not down, and significantly up.

You have the small business organizations out there saying—the National Federation of Independent Business, the Chamber of Commerce, the National Association of Wholesalers and Distributors, and I might add there is another group that has been formed called the Small Business Coalition for Affordable Healthcare, which represents 50 different business organizations—this health care reform bill will increase the cost of doing business in this country and will drive up health care costs. So they have come out in opposition to it, as have all the other business organizations I mentioned, for the same reason. They realize health care reform ought to be about getting their costs down and improving their ability to create jobs. By the way, three-quarters of the jobs created in our economy are created by small business.

So what are we going to do to small businesses? Pile on a bunch of new taxes to pay for this expansion, this $2.5 trillion expansion of the Federal Government in the form of this new health care entitlement. All for what? So they can see their health care costs continue to go up. You pile on the new taxes, you cut Medicare to all the providers out there. And I want to draw them into this too because not only have the small businesses said this is going to drive health care costs up—and they have come out opposed to it—not only has the Congressional Budget Office said that, not only the Centers for Medicare & Medicaid Services Actuary said that, you have academics saying that, but now you also have the providers saying that.

Hospitals and physicians groups are coming out and saying this latest proposal by the Democratic majority to expand Medicare will put hospitals out of business. Because hospitals get underreimbursed by Medicare, and so do physicians. So what do they do? They shift costs over to the private payers, which is everybody else in this country, and everybody else sees their premiums go up. It shrinks the number of private payers, expands the number of government payers, and for these hospitals in places such as South Dakota—I see my colleague from Wyoming on the floor—that are very dependent on Medicare, they are going to see less and less reimbursement coming into their facilities, which does not cover their costs, and very soon you will have a lot of hospitals, particularly in rural areas, going out of business. That has been stated. The chairman of the Senate Budget Committee, Senator CONRAD from North Dakota, came out and said that basically this latest proposal would bankrupt a lot of hospitals in his State. I think that is true for a lot of States and particularly in rural States such as mine and the Senator from Wyoming.

We have small businesses saying: We can't sustain these increases. We think this is a really bad deal. We have the experts, the analysts, the Congressional Budget Office, and the Center for Medicare and Medicaid Services saying this increases costs for health care in this country. And now we have the American people weighing in and saying: We think this is a bad deal. We think it is going to increase our health care costs. The CNN poll that came out 2 days ago said 61 percent of Americans oppose the health care reform bill that is pending right now in the Senate. Other polls show similar results. So we have a very sizable majority of the American people who have now weighed in saying this is a bad deal because it cuts Medicare, it raises taxes, and at the end of the day, it raises premiums.

So who is for this? Who thinks this is a good thing? Well, apparently a number of Democrats here in the Senate, but that is an increasingly shrinking universe of people.

The American people have said it is a bad deal. The experts say it is a bad deal. Small businesses say it is a bad deal. Providers say it is a bad deal. What is left?

Well, I am hoping there are a couple of courageous Democrats who are going to step forward, agree with the American people, and say: We are listening to the American people. We are listening to the experts. We are listening to small businesses that create two-thirds or three-quarters of the jobs in our economy. And we agree we are going to stop this train wreck from happening, sit down, start over, do this right, work with Republicans, and write a bill that actually does constrain costs, that drives the cost curve down and provides access for more Americans. I hope there are a few Democrats out there who will do that because I think on our side we have all concluded, based on what we hear from the American people, what we hear from the experts, what we hear from the business community, what we hear from the provider community, the hospitals and the physicians, that this is a really bad deal. At the end of the day, after all of this new spending, after all the new taxes, after all the Medicare cuts, what are we left with?

What everybody says they want out of health care reform is lower costs. Our colleagues on the other side come down here repeatedly and say we have to do something about the cost of health care. People in this country are struggling with health care costs, absolutely. We could not agree more. What they will do with this bill if it passes is make matters worse, not better, by increasing costs for most Americans.

I wish to show my colleagues exactly what I mean. If you are a family of four—and this is, again, according to the Congressional Budget Office, which looked at this and analyzed these bills and said: If you are in the small group market or large group market, you are going to see year-over-year increases in health care costs, which is somewhere between 5 and 6 percent, which is what we are seeing today—and by the way, that is twice the rate of inflation historically—but a 5- to 6-percent increase in health care premiums. If you are in the individual marketplace, you are going to see your premiums go up anywhere from 10 to 13 percent beyond that. So if you are in the individual market, it gets much worse. But if you are in the small group or large group market, here is what it says: If you are in a family of four today and you are receiving your insurance through your employer and they are getting their insurance through a large group market, you are paying about $13,000 a year. In 2016, 7 years from now, you are going to be paying over $20,000 a year for health insurance coverage.

So your health insurance coverage is going to go up under this bill, not down, according to the Congressional Budget Office. It is going to go up at a rate that is double the rate of inflation. Again, this is for people who get their insurance in the large and small group markets. The yellow line represents the large group market, the red line represents the small group markets, but the result is the same. It is an upward trajectory. It is a spike up in the cost of health insurance for people who get their coverage for health insurance in one of those two markets. Again, as I said before, if you are in the individual marketplace, you could spike this thing like this because their costs are going to be 10 to 13 percent above and beyond what you are seeing here in the large group market. That is according to the Congressional Budget Office.

So 90 percent of Americans, according to the Congressional Budget Office, are going to see their health insurance premiums stay the same, and by ''stay the same,'' I mean go up by twice the rate of inflation—in other words, locking in the status quo—or worse yet, if you are in the individual marketplace, it will be going up 10 to 13 percent.

So all of this talk about lowering the cost of health care and not settling for the status quo may sound good, it is great rhetoric, but it is absolutely factually inaccurate.

So our colleagues who come down here day after day talking about how this health care reform bill is going to drive down the cost of health care are not listening. They are not listening to the American people. They are not listening to the experts. They are not listening to the small business community. They are not listening to the provider community.

I have to say that even the academic community has weighed in on this particular issue as well.

I wish to read for my colleagues something that was said recently by the dean of the Harvard Medical School:

> Speeches and news reports could lead you to believe the proposed congressional legislation would tackle the problems of cost, access, and quality, but that's not true. The overall effort will fail to qualify as reform. I find near unanimity of opinion that whatever its shape, the final legislation that will emerge from Congress will markedly accelerate national health care spending rather than restrain it. This will make an eventual solution even more difficult.

That from the dean of the Harvard Medical School.

So I hope that before this debate concludes—the push is to get it done by the end of the year. I am not sure why. It seems to me, at least, that this is not something we want to hurry. We are talking about reordering or restructuring one-sixth of the American economy. As I said, today it represents 17 percent of our GDP. We spend about $2.5 trillion a year on health care. We ought to get this right. There is an intent on the other side to jam this through sometime next week. Well, I hope we can put the brakes on this. I hope there are a couple of courageous Democrats—at least one but two would be better, maybe even more—who will step forward and say: We are going to listen to the American people. We are going to listen to the providers out there, the hospitals and physicians. We are going to listen to the experts. We are going to listen to the small business community that creates the jobs. And we are not going to blindly follow the leader and take this country over the cliff when it comes to health care delivery and when it comes to our economy.

There is one final point I will make about that because I thought this was a remarkable finding by the CMS in their study. They essentially said that the savings that are proposed in Medicare—the new Federal spending that relies on Medicare cuts which are unlikely to be sustainable on a permanent basis—we all, over here, agree with that. The appetite for the Congress, the willingness for the Congress to cut reimbursements to hospitals and to nursing homes and to home health agencies and to hospices, I find very suspect.

So at the end of the day, if you cannot sustain those—and let's say, for example, for a minute that you can. Let's say these Medicare cuts take effect. If they take effect, and if the Democrats have their way and they expand Medicare, we are going to put more and more people onto a sinking ship because we have a program that is going to be bankrupt in 2017, we are told by the actuaries. We are going to cut $1 trillion out of it over the next 10 years when it is fully implemented, and we are going to put more people onto it. So if those cuts occur, we are going to have more and more hospitals going out of business because they flat aren't going to be able to make ends meet. That is the other thing, by the way, the CMS Actuary found in their study.

But they said they don't believe we can sustain these Medicare cuts on a permanent basis. Meaning what? Meaning that the cost of this program, $2.5 trillion over 10 years, is going to fall on the backs of future generations because it will be borrowed. It will be added to the debt, which is growing at $1 trillion a year, as I said earlier.

We are going to have a vote, if you can believe that, here in the very near future to actually raise the debt ceiling by $2 trillion over and above what it is today, which is $12 trillion. This debt situation is probably the most serious crisis and challenge facing this country going forward. It just seems as though there is an endless, limitless appetite for spending and borrowing around here, and at some point the chicken is going to come home to roost and the bills will have to be paid. You can't continue to sustain this level of borrowing.

These Medicare cuts are unsustainable, which is what the CMS Actuary says. That means a lot of the cost of this new program is going to be financed partly by tax increases, which, as I said, are harmful to small businesses, but secondly by more and more borrowing and more and more debt. More and more future generations, younger Americans, will be faced with a massive inheritance of Federal debt because we weren't willing to make the hard choices to be able to live within our means.

So I hope when it is all said and done, there will be some people who will step forward, have the courage not to blindly follow the leader but to say with the American people, with the experts, with the small business community, with the provider community, with even some of the academic community, that this does nothing to constrain or lower health care costs. The emperor has no clothes. If they do that, we can sit down together.

We are not here for a minute to suggest we shouldn't have health care reform. All we are here to suggest is that it ought to be done the right way, it ought to be done on a bipartisan basis, and it ought to be done in a way that actually bends the cost curve down rather than raises it and that does not cost us $2.5 trillion of cuts to Medicare, which is going to impact a lot of seniors, increase taxes, which is going to crush small businesses, or debt, which is going to punish future generations.

That is what this debate is about. It is a consequential debate for America's future. The stakes are very high. I hope the American people will be engaged in it, and I hope we will be able to find some bipartisan support for defeating this really bad idea and moving to something that actually will make a difference, that will restrain costs, and that will provide health insurance reform that is meaningful reform and that doesn't bankrupt us, doesn't bankrupt hospitals, doesn't bankrupt future generations, doesn't cost us jobs by putting new taxes on small businesses, and actually bends the cost curve down.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I thank the Senator from South Dakota for his enthusiasm and passion and ability to explain things. The passion we have seen throughout the day from the Republicans who have spoken is a reflection of the passion we are hearing in our telephone calls and in our e-mails and in our letters. Our volume is much higher than the 61 percent the CNN poll says. Of course, we wouldn't expect the CNN poll to necessarily reflect our constituents. That enthusiasm across America, that passion, that concern should be reflected in this Chamber.

I get a lot of mail and even phone calls from other States, and they say: How come my Senator isn't listening to me? How come he is not listening to all of my friends? Thank you for what you are doing on health care.

What we are doing on health care, of course, is asking that it be done step by step so that we can get the confidence of the American people, not do something grandiose that can't be well thought out because it is so big.

I spent time as the ranking member of the Health, Education, Labor, and Pensions Committee in an extensive markup on a bill that we had no input in writing. The other side says we had input into the amendments, and we did do some amendments and some were accepted. There were even some that were fairly significant that were accepted.

Of course, what was disappointing was that after the August recess—they didn't print it before the August recess because they didn't want people to know what was actually in it at that time. But following the August recess, when they finally printed it, we found out that provisions we had put in by agreement had been ripped out. Never have I had that happen in my 12 years in the U.S. Senate.

Then I was part of the Gang of 6—the Group of 6, my mother would prefer to call it because she told me never to join a gang. But over a period of at least 60 days, we spent a lot of time and effort from morning until night trying to get a health care bill that would work for America.

One of the things we discovered is that it is very extensive. Nobody can comprehend how big health care is in America. We talked about it being 16 percent of the whole economy. Well, does that register with you? We talk about the trillions that are involved. I don't understand trillions. We spend billions around here, but trillions is a whole other level. I don't even think the kids who work on billions understand trillions. When we say 1 trillion, a lot of people say: Well, that is just 1. Well, it is a thousand billion, and a billion is a thousand million. So it is a lot of money.

But when we were doing this in this Gang of 6, what we did was kind of divide the issues up into 13 different parts—you might call them steps.

We started working through those. Sometimes we would have to leave one because we had basic questions we needed to ask about those sections so we would have a big enough understanding to be able to draft legislation for it. Basic questions. Basic questions. We only made it through slightly more than half the 13 areas before we were faced with a phony deadline. They said September 15 is the drop-dead date for this group to finish work. If you don't have it done by then, we will put something together anyway.

If you are still getting basic questions answered, don't you think you ought to work on it a little longer and have a few more people in? One of the groups we had in were the Governors. We were going to have a vast expansion of Medicaid—not quite as vast as is in here, and what is in this new bill that we have not yet seen, even though we are quite a ways into this, but a vast expansion of Medicaid. Medicaid works through the States and the States have to pick up part of the costs—actually, they pick up a lot of the costs. As we have expanded Medicaid and expanded the rolls on Medicaid, we have put a greater burden not only on the Federal Government, though it is on the Federal Government, too, but also on the State governments. The State governments don't get to vote on it at all.

The Senator from Tennessee, Mr. ALEXANDER, who used to be a college president and was also a Secretary of Education, pointed out a number of times that when Governors are faced with this budget crunch on Medicaid, what do they do? Virtually the only place they can cut is universities and colleges. That is why there has been this dramatic increase in college tuition—because of what Medicaid has done to the States.

Now we are talking about another drastic increase in the number of people in Medicaid. We thought it would be a good idea if we got the Governors on the phone—we hoped the Governors task force on Medicaid would meet with us, and I think they might have, but we were trying to rush it into a short period of time, so we did conference calls. They wanted to know how it was going to affect their States. We knew how many billions it was going to cost as a whole for those States, but we didn't have a breakdown individually. CBO and the Joint Tax

Commission don't do breakdowns by States. But we had some people on staff—Democratic staff—who thought they could break that down, and they did. They presented us with these numbers, and I called my Governor and said: I know this is going to be a problem, and I will see what I can do about it, but it is a lot of money. Of course, if I am talking about how much it was for Wyoming, it would not sound nearly as much as for New York, but it is the same kind of percentages, we just have less population.

Another surprising thing that happened to us was it looked like Nevada and New York would be hit real hard. The next day we got numbers and—we had the same CBO and Joint Tax score. That didn't change a bit. There was one set of numbers. But the evaluation, the next day, looked a lot better for Nevada and New York. It didn't bring it down enough, so there was a special provision that has been put in the bill—it was not done in the Gang of 6—that made it much nicer for Nevada and New York. We said: Wait a minute, why are you doing that for Nevada and New York? Some of the influential people around here from Nevada and New York said this economy is in a real downturn, and we are being hit harder than anybody else. I said: Well, that is a nice gesture, but this part of the bill isn't going into effect for 4 years. How do we know that in 4 years Nevada and New York are the ones that are going to be hard hit? We ought to have provisions for whoever is hard hit.

Those are the kinds of things we were trying to take care of in committee with inadequate numbers. As we worked through—well, the President wanted to do a speech to the Nation, a joint session speech. They do those over on the House side, and the House and Senate show up for it. It was on health care. Following that health care speech, the next morning we went to the Gang of 6 meeting. I kept notes on what the President said. I had about 12 areas we had tried to draft legislation on that he had pretty specific suggestions on. I had to say: This is something we didn't do. We didn't do this yet. We talked about that for a whole day. Immigration was one of the big ones. Medical malpractice was another. That has been a huge concern to the medical community.

I have several things I need to say on this health care bill. I know we are talking in the 30 hours following the appropriations bill. I have things to say about the appropriations bill too. I usually don't talk for very long down here, but I have some of that pent-up passion from all the calls and things I have gotten. So I will talk about both spending and health care.

I will start with the spending because we just voted for a bill that costs $446.8 billion, and Senators didn't have any opportunity to debate the critical issues within that bill. Of the six bills, three—Financial Services, Labor-HHS, and State and Foreign Ops—were airdropped into conference with no opportunity for debate on this floor. So we had no opportunity for consideration. The Transportation bill, the HUD bill, received a 23-percent increase over last year. The State and Foreign Ops bill received a 33-percent increase over last year. Collectively, the six appropriations bills account for a 12-percent increase in Federal spending over last year.

Our national deficit for the past fiscal year stands at $1.4 trillion. I don't see that going down at all. Our current unemployment level is at 10 percent, despite the administration's insistence earlier in the year that Congress pass a $1 trillion-plus stimulus package. The Senate is currently in the middle of a debate on a health care reform bill that has a 10-year implementation cost of $2.5 trillion. Sometime in the next month, we will be forced to raise the Nation's debt ceiling for the second time this year to a level that exceeds the current ceiling of $12.1 trillion.

The bill makes a number of significant policy changes with respect to the fairness doctrine. This omnibus does not include the fiscal year 2008 ban on Federal funds being used to enforce or implement the so-called fairness doctrine. The bill makes changes to several longstanding policy provisions contained in the Financial Services bill and specifically the District of Columbia section dealing with abortion, medical marijuana, needle exchanges, domestic partners, and the DC Opportunity Scholarships.

The bill also contains 5,224 earmarks that total $3.8 billion.

Well, let me go into the definition of an earmark. According to the champion of it for many years, Senator MCCAIN, it is not an earmark if you take a specific project to the committee of jurisdiction, where they can debate it and decide whether it is a valid project and how it might fit in with other formulas and things they are already working on. If the committee that actually works that issue approves it, it is not an earmark. But, of course, it has to be put in, in the authorization process, not dropped in by airmail when the conference committee is meeting at the end of the bill. It is considered an earmark when it is just sent to conference, nobody got to debate it and vote on it, and it was shoved into the bill. There are ways special projects can be done and approved by several votes. Normally, it would be the committee of authorization and then the Appropriations Committee and then the floor of the Senate; and that same process would have already been done on the House side because they start all funding bills. So that is probably six or seven votes on an item before it can actually get passed, if it goes through the regular procedure.

Of course, it is easier to have somebody to champion it and quietly slip it in without any votes, except a final vote. The final vote is what we are doing right now. It is on the whole package. You cannot pick out a section or an earmark and have a vote on that. Besides that, with 5,224 earmarks, that would take a long time. But it totals $3.8 billion. That is still a lot of money. It has been denigrated since we went into the trillion-dollar category, but $3.8 billion is still a lot of money.

How is this playing out around the country? I found a blog I hadn't seen before. It kind of speaks to what we are doing in appropriations right now. This is uglytruthstudios.com. It begins:

Don't tell me where your priorities are. Show me where you spend your money and I will tell you what they are.

That is James W. Frick, who is not the author of this. The author then goes on to say:

I was mad when I decided to start this blog and podcast. I was mad about the current state of our congressional spending. I know, I know, a lot of folks are upset about the government and what they spend. My anger starts with the simple fact that they cannot complete the spending process. They haven't been able to complete the process, not even one time, since 1999.

You can see that this is directed against both sides of the aisle.

Folks, you are right to be mad about the out of control spending of the Federal Government, but we all must start with a hard look at how the money is being spent before we can take an honest look at what it's being spent on.

Take for instance the topic of Healthcare. You will be hard pressed to find a single soul in this country that doesn't think the system needs to be re-evaluated.

For the last eight plus months we have heard on the morning news, the Sunday talk shows, from congressional leaders, the President of the United States, and even concerned citizens about the impending healthcare crisis.

Primetime television has been interrupted for Presidential addresses. The President addressed a joint session of Congress, he held town meetings, he held focus group meetings, he met with members of industry.

Congress itself has begged and pleaded for people to not get too excited about their plans, to work with them on putting reform in place. This was a crisis. A crisis that needed to be addressed immediately, the citizens of the United States of America needed to get behind the effort they were putting forth.

The media was dominated with the urgency to get something done. Television showed outraged Americans at town hall meetings. Congress exchanged ideas and both sides pointed the finger at the other side trying to show that their side was most in tune with what our country needed. They were on top of this situation.

Well they have ''sort of'' been tending to the business of our nation's healthcare. The ugly truth though is this: in their rush to be in the media on the Healthcare crisis, Congress has not yet completed the Labor, HHS and Education Appropriation for the 2010 Federal Fiscal year. The House completed their version of the bill on July 27. The Senate has not yet passed a version of the bill.

The Senate in all their talk about getting Healthcare done has yet to even take the bill up on the floor for a vote.

Well, that part isn't true anymore. It has been finally taken up. It was supposed to be October 1, but we are tardy in that.

Now, mind you, tomorrow night you will probably have your football game, family dinner or general quiet evening interrupted by the Senate working through the weekend.

That is where we are now.

A vote of monumental importance during prime time television, but not on the job that they should have been doing; no, no, this is a vote on what they want to do.

For simple reference sake this is the equivalent of taking out a trillion plus dollar loan, making commitments associated to the loan, and never spending a second asking yourself the following questions: Is this in the budget? Can we afford it? Hell have we even thought about what we are willing to spend on it? Have we decided yet what we are spending on healthcare this year?

Healthcare was not a big enough problem this year for the United States Senate to complete the normal course of business by appropriating the spending for Fiscal Year 2010. However, it apparently is a big enough to deal to forward spend a conservative average of over $85 billion a year. It is not a big enough deal to spend the $160 Plus Billion this year that includes Labor and Education as well.

The House of Representatives despite passing their appropriation in July has not accounted for the spending in their passage of a conservatively estimated $1.2 trillion Healthcare Plan. I am sure they would argue that they have, their actual spending doesn't start for a few years. I would argue that you had better start thinking about doubling spending in 5 years now.

That is a slap in the face to hard working Americans. In my book we all have roles to play. If you got elected to Congress or in this specific case, the Senate, you were placed in a position of public trusteeship. You were elected to spend the people's money and make sure we are a solvent nation. I bet that they just got so caught up in solving the problem that they forgot to handle the process of budgeting and spending. But wait, they continue to spend, and they make forward commitments with our money that never come in on budget.

You will find that I am not a big call to action guy. I am actually kicking myself for not stopping my normal job and getting started railing on this problem before now. I have watched in great horror over the last 10 years as both parties have ignored the process of spending, and funded our government with our tax dollars through one size fits all process. A one size fits all process that generally is traded on our hard earned tax dollars, votes exchanged for passage.

It is time for the nonsense to stop. Keep watching them. I have heard and firmly believe that you can track someone's intentions by how they plan and spend their money. No matter what the claimed intentions may be, people normally put their money where their mouth is. Congress is putting our money where their mouth is. If Healthcare isn't important enough to finish the appropriations process on, then don't take the time to spend more money on it.

Remember—It's all about the money stupid.

Mr. President, we are finally getting to the spending. We have been spending all year, but we are finally getting to some of these pieces. It still leaves the defense piece undone. We are continuing last year's appropriations up to the current time.

I have some things I have gleaned from different places. I particularly thank the Wall Street Journal for their articles and editorials that inform America. I think if I were picking one source of information, that is the one I would pick. I read the Washington Post, the Washington Times, the Wall Street Journal, and I get clips from every newspaper in Wyoming. I get a couple of those newspapers complete. I read a lot of news, but from a national perspective and one that is actually paying attention to what we are doing here, my favorite is the Wall Street Journal.

Earlier in the week, I quoted from a cost article I had found in the Wall Street Journal. I was chastised for using them as a source and then was countered by a Senator using Wikipedia. You can go into Wikipedia and do your own editing. I am not sure if that is a good source. I would prefer to rely on the Wall Street Journal.

There is not any article or opinion that cannot be quibbled with, and that is just like the amendments we have here. What I prefer to think is when an amendment or an article or a speech is given, we ought to be looking for the idea, the grain of truth, the juice of it that should be used, and we are not doing that right now. We are just doing amendments there and amendments here. We are defeating the amendments here. And it kind of bothers me that we have all these amendments from this side because, first of all, our amendments were voted down, all except two, when we went through the Health, Education, Labor, and Pensions Committee process to get the bill out of committee and when we went to the Finance Committee, the same thing happened. I think we had two amendments that were taken as well over a whole week of amendments. The two bills were taken to a closed door back here and were massaged into a new bill. Some pieces of those two bills can be found there, but not all of it and not in the same form. We had no input to that at all. No input at all. Now it is on the Senate floor, and we have the chance to do amendments.

I contend the Democrats are filibustering their own bill because every time we put up an amendment, they put up an amendment. If you wrote the bill, that bill ought to be good enough that you do not have to keep countering your own bill. We did not get to write the bill so we ought to be able to make at least some points about what ought to be changed by using our amendments.

Last week—one of the most fascinating things around here that I have seen—there was a Democratic amendment and then a Democratic side-by-side to it. Normally we get to present the side-by-sides. They are arguing within themselves. It is on a very important issue.

Getting back to the spending, I will mention that since taking office, Mr. Obama pushed through a $787 billion stimulus bill. Hardly any of that money has actually gone out. I would guess about 25 percent of it is all because there is health IT in there. It is $47 billion, and that is not going to go out for 4 years. I don't know how you put something in a stimulus bill where you are trying to get something done immediately and not release the money for 4 years. Granted, there is some work that needs to be done in that 4 years in order to make that money worth anything at all. It just fascinates me.

We had a $787 billion stimulus bill that was not anticipated to go into effect right away; $33 billion expansion of SCHIP; a $410 billion Omnibus appropriations spending bill; and an $80 billion car company bailout. The President also pushed an $821 billion cap-and-trade bill through the House and is now urging Congress to pass a nearly $1 trillion health care bill.

The administration says it is now instructing agencies to either freeze spending or propose 5-percent cuts in their budget for next year. This will not add up to much unless agencies use the budget they had before the stimulus inflated their spending on their baseline in calculating their cuts. That is why we are talking about this bill right now, the minibus or omnibus that is pretty ominous, with all the spending in it, with every one of those bills having a huge increase over a year ago. That will get built into the baseline so next year there can be another huge increase. They compound dramatically.

If the Education Department uses its current stimulus-inflated budget of $141 billion instead of the $60 billion budget it had before the President moved into the White House, freezing its budget will do nothing to fix the fiscal mess that has been created. As I mentioned, there is this little thing of second-degreeing their own amendment.

The Democrats are having a little problem deciding on their message. On the one hand, the President said just this week that we have to ''spend our way out of this recession. On the other they keep telling us the deficit is too large and isn't 'sustainable.' In this tug of political spin, watch what they spend, not what they say. And that means watching this weekend's expected Senate vote,'' which we have had, ''on the 1,088-page $445 billion''—ominous—'''omnibus' package of spending bills to fund the government for fiscal 2010. The House passed a similar elephant earlier this week''—I don't know why they are referring to it that way; it is similar to a donkey—''allowing spending federal agency budgets to increase spending by some $48 billion, or about 12 percent from 2009. That increase—when inflation is negligible—is in addition to the $311 billion in stimulus already authorized or out the door for these programs. Adding this new stash means that federal agencies will have received nearly a 70 percent increase in the last 2 years.''

Has anybody gotten that kind of increase? ''Oh, and that's not all. The President and Congress also want to spend as much as $200 billion more from the Troubled Asset Relief Program''—which is another stimulus, but it was done as a series of loans, so we are supposed to get the money back from that. What they are talking about doing is taking the money from that program and using it for some other programs. Anything that comes back is supposed to go to reduce the deficit. Lord knows that is big enough.

As I mentioned, there are 5,324 earmarks in this bill. That brings the total for the year to about 10,000 or about 23 for every congressional district. That is after a promise that the President would not sign any bill that had earmarks, but he has already done that once. Hopefully, he will not do it twice.

We have been talking about jobs this week. I even got invited to the White House to talk to the President about jobs. Of course, the message the Senator from Washington, Mrs. MURRAY, and I delivered to the President is, we ought to get the Workforce Investment Act done. That is a job training program that would train 900,000 people a year to higher skill levels to meet some of the skill levels we are missing in this country that we are having to export.

What has been the status on this bill? We have been working on this for 4 years—4 years. This country did not need jobs before. Now we need jobs, so maybe we are going to get something done on that.

She, I, and Senator Kennedy passed this bill through the Senate twice unanimously, but the House has never taken it up. I don't know how we are going to get jobs done if something that is that bipartisan—it passed the Senate both times with everybody voting for it. We cannot get more bipartisan than everybody voting for it. We are talking about bipartisan bills. That is really important.

Talking about jobs, one of the things I mentioned at the White House was that 2 days before this meeting, the EPA had put out the notice of the new regulation where they are going to take care of greenhouse gas emissions, CO_2 and seven other chemicals.

According to Kimberly A. Strassel:

In the high stakes game of chicken the Obama White House has been playing with Congress over who will regulate the Earth's climate.

Right now the Copenhagen meeting is going on—

The president's team just motored into a ditch. So much for threats.

The threat the White House has been leveling at Congress is the Environmental Protection Agency's ''endangerment finding,'' which EPA Administrator Lisa Jackson finally issued this week. The finding lays the groundwork for the EPA to regulate greenhouse gas emissions across the entire economy, on the grounds that global warming is hazardous to human health.

From the start, the Obama team has wielded the EPA action as a club, warning Congress that if it did not come up with cap-and-trade legislation the EPA would act on its own—and in a far more blunt fashion than Congress preferred. As one anonymous administration official menaced again this week: ''If [Congress doesn't] pass this legislation,'' the EPA is going to have to ''regulate in a command-and-control way, which will probably generate even more uncertainty.''

The thing about threats, though, is that at some point you have to act on them. The EPA has been sitting on its finding for months, much to the agitation of the environmental groups that have been upping the pressure for action.

President Obama, having failed to get climate legislation, didn't want to show up to the Copenhagen climate talks with big, fat nothing. So the EPA pulled the pin. In doing so, it exploded its own threat.

Far from alarm, the feeling sweeping through many quarters of the Democratic Congress is relief. Voters know cap-and-trade is Washington code for painful new energy taxes. With a recession on, the subject has become poisonous in congressional districts. Blue Dogs and swing-state senators watched in alarm as local Democrats in the recent Virginia and New Jersey elections were pounded on the issue, and lost their seats.

But now? Hurrah! It's the administration's problem! No one can say Washington isn't doing something; the EPA has it under control. The agency's move gives Congress a further excuse not to act.

''The Obama administration now owns this political hot potato,'' says one industry source. ''If I'm [Nebraska Senator] Ben Nelson or [North Dakota Senator] Kent Conrad, why would I ever want to take it back?''

All the more so, in Congress's view, because the EPA ''command and control'' threat may yet prove hollow. Now that the endangerment finding has become reality, the litigation is also about to become real. Green groups pioneered the art of environmental lawsuits. It turns out the business community took careful notes.

Industry groups are gearing up for a legal onslaught; and don't underestimate their prospects. The leaked emails from the Climatic Research Unit in England alone are a gold mine for those who want to challenge the science underlying the theory of man-made global warming.

But the EPA's legal vulnerabilities go beyond that. The agency derives its authority to regulate pollutants from the Clean Air Act. To use that law to regulate greenhouse gases, the EPA has to prove those gases are harmful to human health.

That is the endangerment finding. One is CO_2, and I am breathing that out right know.

Put another way, it must provide ''science'' showing that a slightly warmer earth will cause Americans injury or death. Given that most climate scientists admit that a warmer earth could provide ''net benefits'' to the West, this is a tall order.

Then there are the rules stemming from the finding. Not wanting to take on the political nightmare of regulating every American lawn mower, the EPA has produced a ''tailoring rule'' that it says allows it to focus solely on large greenhouse gas emitters. Yet the Clean Air Act—authored by Congress—clearly directs EPA to also regulate small emitters.

This is where the green groups come in. The Tailoring rule ''invites suits,'' says Sen. John Barrasso—

Who is the other Senator from Wyoming—

who has merged as a top Senate watchdog of EPA actions. Talk of business litigation aside, Mr. Barrasso sees ''most of the lawsuits coming from the environmental groups'' who want to force the EPA to regulate everything.

[The President] may emerge from Copenhagen with some sort of ''deal.'' But his real problem is getting Congress to act, and his EPA move may have just made that job harder.

I thank Kimberly Strassel for those words.

Staying on the topic of jobs:

House Democrats keep stepping on President Obama's applause lines about innovation and job creation. On Tuesday, Mr. Obama announced that ''we're proposing a complete elimination of capital gains taxes on small business investment'' for 1 year. Responding with rare dispatch, the House voted yesterday—

Actually, that would be the day before yesterday now. Some of these things I wrote and hoped I would give before now.

—the House voted yesterday to change the capital gains rate for venture capitalists who invest in technology start-ups. But rather than eliminating the tax, the House more than doubled it, moving the tax rate to 35 percent from 15 percent by reclassifying such gains as ordinary income.

Private equity fund managers and managers of real-estate and oil-and-gas partnerships would also get socked with a 133 percent tax-rate increase. Now, there's a way to encourage economic growth and new jobs. Knowing how popular tax increases are with unemployment at 10 percent, the House majority rushed the bill to the floor without a hearing or even a committee vote. Then they buried it in a package advertised as an extension of tax cuts for research and development.

And that is how it will come over here.

And, of course, there are some other problems in the United States with jobs. There are projections that show unemployment in construction will rise by about 1.3 million and that will be outweighed by the continued drop in manufacturing and mining jobs. Goods-producing employment as a whole is expected to show virtually no growth in total jobs, according to the report. By 2018, that sector will account for 12.9 percent of the jobs, down from 14.2 percent of the jobs. You know, in order to grow the economy, you either have to produce something or you have to sell something. So separately, the number of workers filing new jobless claims rose 17,000 to 474,000 last week, the Labor Department said, which is an unwelcome change after 5 weeks of declines.

Of course, accounting is one of my favorite things. I am the accountant in the Senate, and we have been doing some accounting on jobs that are saved. Clear back at the very beginning of the administration, when Secretary Geithner was appearing before the Finance Committee and the President was saying he will create or save 3 million jobs, I asked what is the definition of saving a job? After he explained a little bit on that, I said: Well, I think probably anybody who is employed, still employed would meet that criteria, so why don't you save or create 180 million jobs? But now we have had some measurements done on jobs that were saved, and this one particularly stuck with me. There is a report on the stimulus for a shoe store in Kentucky, and since I used to be in the shoe business as well, that kind of stuck out. This is from the Washington Examiner—a ticker on stimulus jobs created—and what they said is a shoe store owner claimed to create nine jobs on an $889 contract, when in fact he supplied nine pairs of shoes to the Army Corps of Engineers. A lot of accounting problems around here, and talking about saving jobs without a good definition is only one of them.

Let's see. The government has taken over the banking industry, the car industry, trying to take over the health care industry, trying to take over the energy industry, none of which Washington knows much about, but one that hasn't had much said about it yet is student loans, and I am not sure exactly when that is coming to this body, but I did want to mention that the Department of Education right now is pressuring schools to move to a government-run student loan program in lieu of utilizing private lenders, who are more efficient and have traditionally offered better customer service. That is why people stay with them, is the better customer service, if the price is the same. However, it is also important to note that the proposed student loan takeover, which is H.R. 3221, would cause private lenders to cut an estimated 35,000 jobs across the country. That is according to a survey by the Federal Family Education Loan Program Industry Groups. With the unemployment rate lingering around 10 percent, it is nothing short of amazing that presumably vulnerable politicians continue to advocate big government programs that will result in private-sector job loss.

We will be saying more about that as it comes up. I am not sure when it is going to come up, but I did hear the Secretary of Education—and again, this is good government accounting—said it would provide another $80 billion for them to work with. Under the best of government accounting, it would be $40 billion, I believe. And even that is only because of the way it is accounted for.

Another problem we have now is with taxes, with the estate tax, and that is one that won't die because the Democrats are afraid to let the tax rate hit zero. For years, we have had people saying that the estate tax is not fair; that in this country you get taxed when you earn money, you get taxed when you buy something, you get taxed when you use something, you get taxed when you sell something, but the tax people are upset about is the tax you get after you are dead. We had a bill that already passed. The hated death tax is scheduled to expire, with the rate falling from 45 percent to zero for 2010. Then it will be restructured in 2011 at a rate of 55 percent.

This bizarre policy goes back to 2001, when the Democrats wouldn't let President Bush permanently kill the death tax. So the Republicans bet if the tax were eliminated for 1 year, it would never come back. Well, the moment of truth has arrived and the House Democrats recently voted to cancel that repeal and hold the rate permanently at 45 percent with a $3½ million exemption. So now the majority leader wants to do the same, and would suspend the health care debate and turn to that estate tax, but he would need 60 votes to do that, and I think that is because all the Republicans and many of the Democrats are saying no to that. BLANCHE LINCOLN and JON KYL, Arkansas and Arizona, have placed some proposals out there.

The correct way to tax a gain in the value of assets bequeathed to an heir with capital gains of 15 percent is when the assets are sold. There ought to be some actual action that derives some revenue for it; otherwise, people out our way are having to sell off ranches prematurely in order to have the money to pay off death taxes when the founder of the family passes away. A recent problem we have had with that is that the land values are going up. I suppose they have stagnated at the moment, but it is hard to tell. These ranchers were putting money in, trying to do estate planning so they could pay this with not having to sell off part of the farm, and were doing a pretty good job of that. Of course, they made some adjustments when we made adjustments and started giving them a decline. And there is going to be a lot more said on that yet.

We have this massive spending bill, this huge increase in spending, and I want to share with you some of the words of Douglas Holtz-Eakin, the former Director of the Congressional Budget Office, which we talk about here regularly and point out as being a nonpartisan office. He spoke recently at the Senate Committee on the Budget, or relatively recently—November 10. This is kind of what he said:

President Barack Obama took office promising to lead from the center and solve big problems. He has exerted enormous political energy attempting to reform the Nation's health-care system. But the biggest economic problem facing the Nation is not health care. It's the deficit. Recently, the White House signaled that it will get serious about reducing the deficit next year—after it locks into place the massive new health-care entitlements. This is a recipe for disaster, as it will create a new appetite for increased spending and yet another powerful interest group to oppose deficit-reduction measures.

Our fiscal situation has deteriorated rapidly in just the past few years. The Federal Government ran a 2009 deficit of $1.4 trillion—the highest since World War II—as spending reached nearly 25 percent of GDP and total revenues fell below 15 percent of GDP. Shortfalls like these have not been seen in more than 50 years.

Going forward, there is no relief in sight, as spending far outpaces revenues and the Federal budget is projected to be in enormous deficit every year. Our national debt is projected to stand at $17.1 trillion 10 years from now, or over $50,000 per American. And per American means every man, woman and child.

Continuing to quote:

By 2019, according to the Congressional Budget Office's analysis of the President's budget, the budget deficit will still be roughly $1 trillion, even though the economic situation will have improved and revenues will be above historical norms.

The planned deficits will have destructive consequences for both fairness and economic growth. They will force upon our children and grandchildren the bill for our overconsumption. Federal deficits will crowd out domestic investment and physical capital, human capital, and technologies that increase potential GDP and the standard of living. Financing deficits could crowd out exports and harm our international competitiveness, as we can already see happening with the large borrowing we are doing from competitors like China.

Yes, the President went to China recently; Secretary Geithner has been to China. They weren't over there trying to visit the Great Wall. They were over there trying to explain to China how we would be able to pay off our bonds. And last week, it was said that Standard & Poor's and Moody's were taking a look at the United Kingdom and the United States to see if there shouldn't be a downgrade in their rating. And so Mr. Holtz-Eakin says:

At what point, financial analysts ask, do rating agencies downgrade the United States? When do lenders price additional risk to Federal borrowing, leading to a damaging spike in interest rates? How quickly will international investors flee the dollar for a new reserve currency? And how will the resulting higher interest rates, diminished dollar, higher inflation, and economic distress manifest itself? Given the President's recent reception in China—friendly but fruitless—these answers may come sooner than any of us would like.

Mr. Obama and his advisers say they understand these concerns, but the administration's policy changes are the equivalent of steering the economy toward an iceberg. Perhaps the most vivid example of sending the wrong message to international capital markets are the health-care reform bills—one that passed the House earlier this month and another under consideration in the Senate. Whatever their good intentions, they have too many flaws to be defensible.

First and foremost, neither bends the health-cost curve downward. The CBO found the House bill fails to reduce the pace of health-care spending growth. An audit of the bill by Richard Foster, the chief actuary for the Centers for Medicare and Medicaid Services—

And that is the CMS, which is a division of Health and Human Services. So this is the chief actuary issuing this report.

—found that the pace of national health-care spending will increase by 2.1 percent over 10 years, or by about $750 billion. Senate Majority Leader Harry Reid's bill grows just as fast as the House version.

Yesterday, or the day before yesterday, we got a new actuarial report that addressed the Reid bill as opposed to the House bill, and we talked about that fairly extensively. I haven't seen any articles about it yet. But one summary comment on it is that, according to this Actuary of CMS—which is a part of the administration—the cost of health care under the Reid bill will increase by seven-tenths of 1 percent.

That doesn't sound like much, but it is seven-tenths of 1 percent more—more—than if we did nothing. That is not bending the cost curve down.

Mr. Holtz-Eakin goes on to say:

Second, each bill sets up a new entitlement program that grows at 8 percent annually as far the eye can see—faster than the economy will grow, faster than tax revenues will grow, and just as fast as the already-broken Medicare and Medicaid programs. They also create a second new entitlement program, a federally run, long-term-care insurance plan.

Finally, the bills are fiscally dishonest, using every budget gimmick and trick in the book: Leave out inconvenient spending, back-load spending to disguise the true scale, front-load tax revenues, let inflation push up tax revenues, promise spending cuts to doctors and hospitals that have no record of materializing, and so on.

If there really are savings to be found in Medicare, those savings should be directed toward deficit reduction and preserving Medicare, not to financing huge new entitlement programs. Getting long-term budgets under control is hard enough today. The job will be nearly impossible with a slew of new entitlements in place.

In short, any combination of what is moving through Congress is economically dangerous and invites the rapid acceleration of a debt crisis.

It is a dramatic statement to finance markets that the federal government does not understand that it must get its fiscal house in order. . . .

The time to worry about the deficit is not next year, but now. There is no time to waste.

Again, Mr. Holtz-Eakin is the former Director of the Congressional Budget Office and a fellow at the Manhattan Institute. This is adapted from testimony he gave to the Senate Committee on the Budget on November 10.

Since that time I have been talking about how we have maxed out our credit cards, but this is something known across the Nation.

I have to share something. I mentioned I get things from all the papers in Wyoming. This comes from the Lovell Chronicle. That is a place that is probably about 120 miles from Yellowstone Park. That is always how I describe our State, in terms of Yellowstone Park, because a lot of people know where that is.

Her name is Diane Badget and she writes a column regularly.

My dad used to play this silly game with us. We'd hear ''THUMP, THUMP'' coming from the kitchen. One of us would ask, ''Dad, what are you doing?'' He'd reply, ''Beating my head against the wall.'' At that point another of us would dutifully respond, ''Why?'' Then we'd wait a second for the expected reply: ''Cause it feels so good when I quit!''

Has the bickering in Washington sickened you to the point where you almost don't care what they do as long as they shut up? Be careful! That's what some are hoping for. They are disdainful of our feeble attempts to get them to listen to us. They hope that if we beat our heads against the wall long enough we'll realize how much better we'd feel if we'd just quit.

She goes on to talk a little about Copenhagen.

The plans for building safe, clean nuclear power plants to provide electricity evaporated when the promise of a secure place to store spent nuclear fuel suddenly ended. Yet this same administration has decried coal fired plants as ''ecological disasters'' and large-scale wind and solar energy as too expensive to build yet. Nothing has been done to utilize the vast reserves of resources in Alaska.

Okay, if we can't use coal plants, can't afford wind or sun, Alaska doesn't exist, and nuclear options just got flushed, what should we do? Oh, I know! Let's gather up half of the over-zealous geniuses who supported Obama's decision and put them on giant hamster wheels hooked to generators! Then we'll take the other half and utilize their hot air to turn turbines! It makes as much sense as anything in the Cap and Trade bill.

My grandkids can't pray in school, but other kids are provided with prayer mats. No wonder so many terrorists are found right here in the very country they have sworn to destroy. How many more radicals are walking among us, undetected?

She talks about:

The decision to try the 9/11 conspirators in our court system is a travesty. These murderers have already pleaded guilty in a military tribunal. They are not entitled by our Constitution to a trial. U.S. citizens are entitled to a trial before a jury of their peers.

But she does move on to healthcare as well.

Are you confused yet? Apparently Congress is. The health care plan that the Senate voted to send to the floor for debate is a perfect example. One side says that it will be deficit neutral, will ensure competition, will not affect Medicare and won't result in more taxes. The other side says it will cost too much, eliminate competition, slash Medicare and tax us out of our underwear.

Barbara Boxer (D. Ca) touted Medicare as a great example of how seniors are able to chose a ''public option''. Excuse me? When we turn 65 we are required to sign up for Medicare. How is that optional? I think at this point both sides of the aisle are trying to sell us snake oil, and somewhere in the middle is the truth.

Are you worried yet? Are your children and grandchildren going to enjoy the same freedoms and opportunities that we enjoyed? The future of my grandchildren should have been better than the life I had, and my life has been pretty doggone good. Instead, future generations are going to be paying, financially and personally, for the mistakes made right now by a president who presumes too much power and a system of checks and balances that no longer works.

We have been talking about having a bipartisan bill here. Maybe that would end the contradiction and furor that we are talking about here. I think a lot of people must have missed the speech OLYMPIA SNOWE made about durable social reform always being bipartisan. I want to share some comments on that. I know her speech wasn't noticed by the press corps.

With Majority Leader Harry Reid's announcement this week of a double-secret bargain that Democrats hope will squeeze ObamaCare through the Senate after nine whole days of debate so far in the world's greatest deliberative body—the Maine Republican's words seem more pertinent than ever.

Mrs. Snowe began by noting that this year's health debate is ''one of the most complex and intricate undertakings the Congress has ever confronted,'' and that she, too, has devoted much of her three-decade political career to promoting cheaper, better quality insurance. ''But it must be done in an effective, common-sense and bipartisan way,'' she cautioned.

Far from ''systematically working through the concerns, the issues and the alternatives,'' Mrs. Snowe added, Democrats have instead favored ''artificially generated haste'' and settled on a strategy ''to ram it, to jam it'' through Congress. The Senator detailed her good-faith participation in the ''group of six'' on the Senate Finance Committee, which met some 31 times over the spring and summer and reflected ''the kind of extensive, meticulous process that an issue of this magnitude requires.''

The negotiators tried to build a consensus, blending the best ideas from both parties. Or at least they did before the group of six, and Mrs. Snowe in particular, became a liberal political target for supposed obstructionism. Chairman Max Baucus then pushed their unfinished work to the Senate floor, where Mr. REID is now rushing to pass a bill in a race against its rising unpopularity and President Obama's falling approval ratings.

Mr. REID made his case with his usual intellectual nuance this week: ''Instead of joining us on the right side of history, all the Republicans can come up with is, 'Slow down, stop everything, let's start over.' If you think you've heard these same excuses before, you're right. When this country belatedly recognized the wrongs of slavery, there were those who dug in their heels and said, 'Slow down, it's too early, things aren't bad enough.' ''

Then, after equating opposition to Medicare cuts and tax increases with support for human bondage that it took a bloody civil war to end, Mr. Reid went on to draw analogies to women's suffrage, Social Security, civil rights and Medicare.

Mr. Reid would have done better listening to Mrs. Snowe about the ''history'' of major social legislation, which she also discussed in her November speech. Her main and telling point was that durable social reform in America has always been bipartisan, and not merely with one or two opposition party votes.

While Social Security passed when Democrats controlled both Congress and the White House, she said, 64 percent of Senate Republicans and 79 percent of the House GOP supported it. Civil rights passed with 82 percent of Republicans in the Senate and 80 percent in the House, while 41 percent and 51 percent, respectively, voted for Medicare. Mrs. Snowe could have added the 1996 welfare reform that President Clinton signed with the support of nearly all Republicans in Congress, 98 Democratic Representatives and 25 Democratic Senators.

''Policies that will affect more than 300 million people simply should not be decided by partisan, one-vote-margin strategies,'' Senator Snowe explained, and Congress should not be ''railroading solutions along partisan lines.''

On the debate that we have had, one of the points of contention, of course, has been Medicare. They talked on that side of the aisle about how good Medicare is. We talked on this side of the aisle about how Medicare is being harmed. I think what we are really giving people the impression of it is when we pass the bill, all of it will be free. That will not happen. But there was some contention that private insurance was less fair to people, Medicare was always fair. So I dug up some information on it. Investors Business Daily has done a little bit of research in that area. They found that:

Throughout the health care debate insurance companies have been cast as greedy villains that gleefully deny medical claims. But when it comes to rejecting claims, they can't hold a candle to government.

They found the most claims are the ones denied by Medicare, not the private sector.

What has happened in the last couple of days, Medicare has been so popular that the leader has said he is going to include, now, a piece that will bring the age group to 55. We have been talking about how, under the present circumstances, with the money that is being stolen from Medicare, that it is going to go broke. The majority leader—and evidently it is just the majority leader because when we asked to see a copy of it yesterday in a little colloquy we had with the Senator from Illinois, Senator DURBIN, he said he had not seen it. So I think—I know they had been briefed on it probably in a general way the night before. But it was explained to us that if anybody knew what was actually in that, that then the CBO score that comes out of that, how much it will cost, would have to be shared with everybody.

I thought we were in the new era of transparency. That doesn't sound very transparent to me. Even Democrats didn't get to see it because, if they did, then all of us could see how much it is going to cost as soon as the Congressional Budget Office has declared that.

That bothers me. I think it kind of bothers America. What we are worried about is it is going to come to the floor all of a sudden and we are going to have to make decisions on it. Evidently it is being talked about a little bit on the other end of the building, because I saw that Speaker PELOSI stopped short of endorsing the full Senate compromise, saying she needed to see ''something in writing.'' But she said, ''There is certainly a great deal of appeal'' in expanding Medicare. But the Washington Post did a little editorial. This would have been on December 10. They called it ''Medicare Sausage? The emerging buy-in proposal could have costly unintended consequences.''

Incidentally our side has only seen this based on what the media has heard, and I don't know what kind of briefings the media has had on what this particular proposal has.

The Washington Post says: ''The emerging buy-in proposal could have costly unintended consequences,'' and begins by saying:

The only thing more unsettling than watching legislative sausage being made is watching it being made on the fly. The 11th-hour compromise on health care reform and the public option supposedly includes an expansion of Medicare to let people ages 55 to 64 buy into the program. This is an idea dating to at least the Clinton administration, and Senate Finance Committee Chairman Max Baucus originally proposed allowing the buy-in as a temporary measure before the new insurance exchanges get underway. However, the last minute introduction of this idea within the broader context of health reform raises numerous questions—not the least of which is whether this proposal is a far more dramatic step toward a single-payer system than the lawmakers on either side realize.

The details of how the buy-in would work are still sketchy and still being fleshed out, but the basic notion is uninsured individuals 55 to 64 who would be eligible to participate in the newly created insurance exchanges could choose instead the emergency coverage through Medicare. In theory, this would not add to Medicare costs because the coverage would have to be paid for—either out of pocket or with the subsidies that would be provided to those at lower income levels to purchase insurance on the exchanges. The notion is that, because Medicare pays lower rates to health-care providers than do private insurers, the coverage would tend to cost less than a private plan. The complication is understanding what effect the buy-in option would have on the new insurance exchanges and, more important, on the larger health-care system.

Currently, Medicare benefits are less generous in significant ways than the plans to be offered on the exchanges. For instance, there is no cap on out-of-pocket expenses.

Wasn't one of the promises that we were going to be sure that catastrophic was covered for everybody? One of the things I discovered early on in this process is that catastrophic is not covered in Medicare, not in the regular plan. You have to get the Medicare Advantage to get catastrophic or the more expensive Medigap policy. Of course, we are talking about taking a whole bunch of money out of the Medicare Advantage, which the companies say will either reduce benefits or eliminate it altogether.

I think this book was delivered to every office. I got one in my office. It is called ''Voodoo Anyone?'' It is ''How to understand economics without really trying.'' I do hope every Senator finds their copy of this book and takes a look at it because it talks about prices, how prices are set, what affects prices, what happens when you fix prices. Then it talks about health care and energy and education and crime and social and agriculture and labor and monopolies, and financial markets and government action.

I have never found a book that put it quite as succinctly or quite as understandably as this book does. We need to be paying some attention to the fixing prices part of it, for sure. He gives a nice example on this.

You're in a college town, and you realize that there is no good place to buy a decent bicycle. So you get some money together (loans, the parents, investors, whatever) and you open up Deals on Wheels. But business at first is slow. So you figure you'll bring in customers for a sale. You look at your books and you make some tough decisions. You paid $100 for a bike from the manufacturer, and you sell it for $110. But without customers, you realize you need to do something.

So you decide to sell the bicycles for $80 as a way to draw customers to Deals on Wheels. You know that you can't continue to sell your bikes at a loss, so you say it's a one-day sale only. And sure enough, the word gets out, and you've got more customers than you can handle. They can't fit in the store and spill out on the street.

Little did you know that a lawmaker passed by, saw the crowd and realized something good was going on. The politician goes back to Washington, D.C., and convinces his colleagues that an $80 bicycle is a great thing. ''Bicycles have so many benefits,'' intones the lawmaker. ''They can help you get healthy. And the more people who ride bikes, the less pollution there is. And, of course, more people riding bicycles will help the United States become less dependent on foreign oil.

To thunderous applause, the politician sits down and watches his bill that will cap the price of bicycles at $80 pass in a near unanimous vote. (The politician and all his colleagues have calculated a lot of votes will come their way in the next election as a result of this bill).

But for you, the bicycle dealer, the one-day sale has become a permanent condition. You can't find bicycles for less than $90, so you're going to be selling all bicycles at a loss.

Do you stay in business? You instead sell off the rest of your inventory and explore other employment opportunities.

I read that to lead up to what he has on Medicare. He says:

Remember the bicycle example? A price control on bicycles below the cost of production signaled to consumers to buy cheap bikes. But it also told producers that they couldn't make any money. When you have high demand and low supply, you get a shortage. And that's where the Medicare program stands today—waiting lists, fewer doctors who see Medicare patients and shorter hospital stays are all evidence of a shortage in the medical care for senior citizens.

There are several more pages on Medicare I won't cover. I encourage my colleagues to read it. It is a very small book, a very short book, but it makes a lot of excellent points.

Of course, the day before yesterday we got this report from the Actuary of CMS, which is part of Health and Human Services, which is a part of the administration. He said that Medicare would not be sustainable under the Reid bill.

Is there a way to fix Medicare? I think so. We have promoted over here several times that instead of taking these cuts to Medicare and expanding them into brandnew entitlements—an entitlement is something that goes on forever without congressional approval—we ought to lop off the Medicare piece and make sure we get it right.

Yes, there are things that have been noted that would save money. But that money that is saved ought to go right back into Medicare so that those seniors who are so nervous across the country would understand we weren't cutting their programs.

They say: No, we are not cutting the program. We haven't cut a single guaranteed benefit.

We also haven't fooled a single senior out there. The only ones we have fooled have been the AARP. Of course, the AARP is going to make more money off of Medigap than they ever made off Medicare Advantage. They have to look at where the bread is buttered here.

Senator DODD said that he would like to know exactly which pages had cuts to Medicare on it. I have a sheet here that shows the exact page numbers in the bill and the CBO report.

I ask unanimous consent that the following be printed in the RECORD in this regard.

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

MEDICARE CUTS IN THE REID BILL

HOSPITALS SERVING SENIORS

$200 billion in cuts, page 663, through Medicare quality reporting programs; $1.5 billion in cuts, p. 687, Medicare payment adjustments for hospital-acquired conditions; $7.1 billion in cuts, p. 775, hospital readmissions reduction program; $20.6 billion, p. 842, Disproportionate Share Hospital (DSH) payment cuts; $105.5 billion, p. 974, Medicare market basket updates.

NURSING HOMES

$15 billion, p. 977, Medicare market basket updates.

HOSPICES

Nearly $8 billion, p. 987, Medicare market basket updates.

HOME HEALTH

More than $40 billion, p. 983, Medicare market basket updates.

MEDICARE ADVANTAGE

$118 billion, p. 869, Medicare Advantage payment adjustments; $1.9 billion, p. 908, application of coding intensity adjustment.

Mr. ENZI. Of course, the Democrats do recognize that there is a problem with Medicare going broke; otherwise, they wouldn't have to put a special commission in there. There is a special MedPAC commission. There already is a MedPAC, so there is going to be a MedPAC on steroids in there. That means it will have to report to us and we will have to take action on it or else they will be able to take action anyway. If we are not breaking the system, what do we need that for?

Actually, if we use the money that comes from Medicare only for Medicare, the commission would have a much easier job.

For one thing, we would be able to do the doc fix. The other side keeps referring to how the deficit will be reduced by this bill—$157 billion in the first 10 years and another number for the second 10 years. But that is only if you believe we will not fix any of these things that are major problems, such as the doctors.

We are not paying the doctors enough. Right now, 25 percent of the doctors won't take a new Medicare patient. The number varies between 45 percent and 50 percent who won't take a new Medicaid patient because we pay too little. We did the price fixing such as I described in that book. If you do price fixing, you can't afford to pay the doctors enough. The doctors know that. They are not going to work for nothing or less than nothing. Consequently, if you can't see a doctor, you don't have any kind of insurance. That is a basic guarantee of insurance, that you will get to see some medical person and they will do some kind of treatment if you need it. We are also hoping the doctor gets to make the decision on the treatment you have.

There is also a little medical commission in the bill, preventative commission, a task force that put out a report on mammograms and upset the whole country, with some justification. As those things are adopted for everybody, it takes away the right for the doctor to say: My patient is a little bit different. We are all a little bit different. Some of these commissions and task forces need to be looked at. Is America listening?

Last week, there was a vote in Kentucky. There were two people running for the legislature there. It was a highly Democratic district. The Republican talked about health care. That was his whole pitch. He did a warning on health care. He won in a heavily Democratic district.

This is being reported repeatedly across the country. I have some things where I could go into some of the poll numbers that are out there now. I know individuals are looking at those poll numbers and realizing the American people have figured it out. They really have. Congress hasn't figured it out, but the American people have figured it out.

I have to talk about one specific part of the bill. Senator HARKIN and I worked together on this bipartisan amendment. It wasn't one we invented; it is one we found from Safeway. Safeway has some programs they put into effect for their employees on a voluntary basis that cut the cost of health care for Safeways while increasing the benefits for the employees. That is not happening anywhere in America. You have seen the charts on how fast health care is expanding. Safeway was able to get about an 8-percent reduction the first year and has been able to hold it level since then.

Senator HARKIN and I asked: How did you do that? One of the ways was to give people incentives to do the right thing. Again, it was on a voluntary basis. We got the flexibility for these incentives put into the HELP Committee markup. It was approved. It was put in. It was bipartisan. It should have been approved and put in. It was also a good idea. There was this clinic that we call Safeway that had been the lab for it, that had tried it and it worked. It was to raise the limit people could have for doing these incentives from 20 percent to 30 percent and even up to 50 percent, if it worked. Without my approval, that was jerked out of the bill before it was actually printed.

I hope people take a look at the November 29 issue of Roll Call, where there is an editorial by Morton Kondracke, who explains how this all works and what a difference it could make and how terrible it is that it got pulled out.

It is interesting that some of the groups that were against it were ones such as the American Cancer Society, the American Heart Association, and the American Diabetes Association. They did it on the basis that it discriminates against people who want to stay fat and won't quit smoking. Incidentally, a smoker costs $1,200 a year to somebody else because it isn't included in their insurance that way.

Ways of improving the system—I will talk about that at another time. I can see everybody is fascinated by all of this. We will talk about lawsuits and health savings accounts.

The other side would like to eliminate health savings accounts. Actually, what they want to do is tell you what insurance you have to have. They want the government to tell you what the minimum acceptable insurance is. That is not bad enough. If you don't buy at least the minimum acceptable insurance, then you get fined. Under the House bill, you can go to jail. That is only if you don't pay your taxes as a result of the fine. That is done through the IRS. It is a huge expansion of the IRS at the same time.

Health savings accounts have been working in this country. In fact, they work for our employees in the Senate. The health savings account is where you buy a high-deductible policy and you have the right to put money tax free into a savings account that can only be used for health, with the theory that if you do have something happen to you, you can draw out of your health savings account to pay this deductible.

If you are young and healthy, it is a tremendous thing. One of the young ladies in my office said: Let's see, the amount I have to pay for regular insurance and the amount I have to pay for a health savings account are considerably different. If I took that difference and put that into a health savings account, it would still belong to me. It would roll over from year to year, and I would have that available tax free whenever I need it. She did that. Within 3 years, she had the entire deductible covered in there. She was smart enough to continue to put money in there, tax free money that will take care of her health care expenditures. Do you think she will be upset if we eliminate health savings accounts? Yes, I think so.

There is another thing Senate employees use; that is, flexible spending accounts. Even if you pick the ones without the high deductible, you have the right to figure out how much your medical expenses are going to be the next year and put those into a special account, a flexible savings account. Over the next year, you can use that money from the flexible savings account, which comes out of your paycheck, tax free for the medical needs you have.

People who know they are going to have medical needs find this to be useful. They find that they can tell—you have to do it by Monday—how much you think you are going to spend the next year. The downside of it is, if you don't spend it all, the extra goes back to the Federal Government. Even though it came out of your paycheck, it goes back to the Federal Government.

A lot of people would say this would be a good deal if we could roll that over. There are a lot of eyeglasses and dentists appointments that are done in December for people to be able to use that flexible spending account. If it rolled over, they could continue to use it for what was really necessary.

That is being limited in the bill. That will be a detriment to people who have some catastrophic things happening to them. Cancer would be one of those things. If they know how much they are going to have to spend on MRIs and CAT scans and other kinds of tests over the coming year, in December they put that amount of money in there, and then they can have this little bit of a tax advantage for taking care of their health care costs.

That is much like big business provides in the much better plans than we have in the Senate.

To conclude, I would like to have a document printed in the RECORD by unanimous consent, which is titled: ''A Specific Plan of Action: Lowering Health Care Costs.''

I am inserting this on behalf of Senator MCCAIN because people keep claiming that when he ran for President, he said things differently than what is being said now, and with this as part of the RECORD, maybe we can get them to quit saying that. Because he did talk about waste, fraud, and abuse in Medicare and the need to contain it and physician payments and coordinated care and preventable medical errors. So I ask unanimous consent that document be printed in the RECORD.

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

A SPECIFIC PLAN OF ACTION: LOWERING HEALTH CARE COSTS

John McCain Proposes a Number of Initiatives That Can Lower Health Care Costs. If we act today, we can lower health care costs for families through common-sense initiatives. Within a decade, health spending will comprise twenty percent of our economy. This is taking an increasing toll on America's families and small businesses. Even Senators Clinton and Obama recognize the pressure skyrocketing health costs place on small business when they exempt small businesses from their employer mandate plans.

Cheaper Drugs: Lowering Drug Prices. John McCain will look to bring greater competition to our drug markets through safe re-importation of drugs and faster introduction of generic drugs.

Chronic Disease: Providing Quality, Cheaper Care for Chronic Disease. Chronic conditions account for three-quarters of the Nation's annual health care bill. By emphasizing prevention, early intervention, healthy habits, new treatment models, new public health infrastructure and the use of information technology, we can reduce health care costs. We should dedicate more federal research to caring and curing chronic disease.

Coordinated Care: Promoting Coordinated Care. Coordinated care—with providers collaborating to produce the best health care—offers better outcomes at lower cost. We should pay a single bill for high-quality disease care which will make every single provider accountable and responsive to the patients' needs.

Greater Access and Convenience: Expanding Access to Health Care. Families place a high value on quickly getting simple care. Government should promote greater access through walk-in clinics in retail outlets.

Information Technology: Greater Use of Information Technology To Reduce Costs. We should promote the rapid deployment of 21st century information sytems and technology that allows doctors to practice across state lines.

Medicaid and Medicare: Reforming the Payment System To Cut Costs. We must reform the payment systems in Medicaid and Medicare to compensate providers for diagnosis, prevention and care coordination. Medicaid and Medicare should not pay for preventable medical errors or mismanagement. Medicare should lead the way in health care reforms that improve quality and lower costs. We need to change the way providers are paid to move away from fragmented care and focus their attention on prevention and coordinated care, especially for those with chronic conditions. This is the most important step in effectively caring for an aging population. We must work in a bipartisan manner to reform the physical payment system, focus efforts on eliminating fraud and move Medicare into a new generation of coordinated, quality care.

Smoking. Promoting the Availability of Smoking Cessation Programs. Most smokers would love to quit but find it hard to do so. Working with business and insurance companies to promote availability, we can improve lives and reduce chronic disease through smoking cessation programs.

State Flexibility: Encouraging States To Lower Costs. States should have the flexibility to experiment with alternative forms of access, coordinated payments per episode covered under Medicaid, use of private insurance in Medicaid, alternative insurance policies and different licensing schemes for providers.

Tort Reform: Passing Medical Liability Reform. We must pass medical liability reform that eliminates lawsuits directed at doctors who follow clinical guidelines and adhere to safety protocols. Every patient should have access to legal remedies in cases of bad medical practice but that should not be an invitation to endless, frivolous lawsuits.

Transparency: Bringing Transparency to Health Care Costs. We must make public more information on treatment options and doctor records, and require transparency regarding medical outcomes, quality of care, costs and prices. We must also facilitate the development of national standards for measuring and recording treatments and outcomes.

CONFRONTING THE LONG-TERM CARE CHALLENGE

John McCain Will Develop a Strategy for Meeting the Challenge of a Population Needing Greater Long-Term Care. There have been a variety of state-based experiments such as Cash and Counseling or the Program of All-Inclusive Care for the Elderly (PACE) that are pioneering approaches for delivering care to people in a home setting. Seniors are given a monthly stipend which they can use to: hire workers and purchase care-related services and goods. They can get help managing their care by designating representatives, such as relatives or friends, to help make decisions. It also offers counseling and bookkeeping services to assist consumers in handling their programmatic responsibilities.

SETTING THE RECORD STRAIGHT: COVERING THOSE WITH PRE-EXISTING CONDITIONS

Myth: Some claim that under John McCain's plan, those with pre-existing conditions would be denied insurance.

Fact: John McCain supported the Health Insurance Portability and Accountability Act in 1996 that took the important step of providing some protection against exclusion of pre-existing conditions.

Fact: Nothing in John McCain's plan changes the fact that if you are employed and insured you will build protection against the cost of any pre-existing condition.

Fact: As President, John McCain would work with governors to find the solutions necessary to ensure those with pre-existing conditions are able to easily access care.

Mr. ENZI. I hope, on future appropriations—I hope when the President gets this bill, if it makes it through the process—and it appears as though it should easily do that—he will veto the bill and send it back because the 5,224 earmarks, amounting to $3.8 billion—instead of talking about 5 percent of what the Cabinet members expend, it might be more valuable to talk about $3.8 billion.

There are other things that need to be done. We do need to start being fiscally responsible. Of course, one of the questions is: Why haven't we been, in the past, fiscally responsible? That answer to that is, we did not have our credit cards maxed out before. We were able to print the money and nobody noticed. But now when we print the money, people do notice. So we have both the end of the year appropriations—the end of the year, incidentally, was the last day of September, and we are doing them now—and we have this health care crisis to solve. There is not anybody who does not want to come up with a solution to it. But we want to do it step by step and get the confidence of the American people.

The American people do not have confidence in what we are doing. I have several documents that would show what percentage of the people do not agree we are doing the right thing. That ought to get the attention in virtually every State because it is not just as a national whole, it is in every State. People have figured out what we are trying to do, and they do not think we are doing it right. We better get it right or people will be even more upset.

I yield floor.

ADJOURNMENT UNTIL 1:30 P.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until 1:30 p.m. tomorrow.

Thereupon, the Senate, at 4:17 p.m., adjourned until Sunday, December 13, 2009, at 1:30 p.m.