

That is the problem in a nutshell, but behind it—this is all talking public policy up here—behind it, underneath it, are the lives of hundreds of thousands of Americans, situations in which Americans cannot afford treatments that prevent disability and, in some cases, prevent death.

Early this year, Ohio representatives from the Arthritis Foundation visited my office to talk about soaring health care costs and the limitations of our current system. These individuals spoke of extreme and prolonged physical pain, pain that could be alleviated if only the treatments existed—which they do—and only if they were affordable—which too often they are not.

Biologics provide great promise and hope to those suffering from devastating diseases and chronic illnesses. But absent competition, absent what we call follow-on biologics, absent a generic substitute to compete—but absent competition—countless Americans will be unable to benefit from these medicines.

It would be irresponsible on our part not to pursue a safe and efficient path to biogenerics. And it would be irresponsible on our part to pursue a pathway that allows for over a decade of monopoly protections for brandname products.

We did not do that with the generic drugs, the so-called Hatch-Waxman bill, which everyone in this body is familiar with. Most people at home around our country—most people in Toledo and Akron and Cincinnati and Dayton and Springfield and Mansfield—have benefited from Hatch-Waxman, the generic drug law, which cut prices for brandname drugs 50, 60, 70, 80 percent. But you cannot do that with biologics because we have not written the law to open up the process to allow follow-on biologics, to allow generic biologics, to allow competition in the system.

But next week, as the Presiding Officer knows, in the Health, Education, Labor and Pensions Committee, we have the opportunity to make affordable generic drugs more accessible for our seniors, more accessible for our Nation's middle class, more accessible for the hundreds of thousands—no, the millions—of Americans who are suffering from these diseases. But so many of them are unable to afford these expensive biologics.

Health care reform must broaden access to generic alternatives to biologics, the most expensive kinds of prescription drugs. Failing to do so is not just bad policy, bad public policy; failing to do so means we are letting down millions of our sickest citizens.

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

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

The bill clerk proceeded to call the roll.

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

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

EXECUTIVE SESSION

NOMINATION OF ROBERT M. GROVES TO BE DIRECTOR OF THE CENSUS

Mr. REID. Mr. President, I now ask unanimous consent that the Senate proceed to executive session to consider Calendar No. 169, the nomination of Robert M. Groves to be the Director of the Census for our country.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

The clerk will report.

The bill clerk read the nomination of Robert M. Groves, of Michigan, to be Director of the Census.

CLOTURE MOTION

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

The ACTING PRESIDENT pro tempore. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the nomination of Robert M. Groves, of Michigan, to be Director of the Census.

Harry Reid, John D. Rockefeller, IV, Christopher J. Dodd, Arlen Specter, Richard J. Durbin, Mark Begich, Mark Udall, Michael F. Bennet, Jeff Bingaman, Robert P. Casey, Jr., Frank R. Lautenberg, Blanche L. Lincoln, Tom Udall, Bill Nelson, Byron L. Dorgan, Claire McCaskill, Kirsten E. Gillibrand.

Mr. REID. Mr. President, I ask unanimous consent that the mandatory quorum be waived.

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

Mr. REID. Mr. President, I now ask unanimous consent that on Monday, July 13, at 4:30 p.m., the Senate proceed to executive session, and there be 1 hour of debate prior to a vote on the motion to invoke cloture on the nomination, with the time divided as follows: 15 minutes each for Senators COLLINS, SHELBY, and VITTER, with 15 minutes equally divided between Senators LIEBERMAN and CARPER; that at 5:30 p.m., the Senate vote on the motion to invoke cloture; that if cloture is invoked, then all postcloture time be yielded back and the Senate immediately vote on confirmation of the nomination; that upon confirmation, the motion to reconsider be laid upon the table; no further motions be in order; the President then be immediately notified of the Senate's action; and the Senate resume legislative session.

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

Mr. REID. Mr. President, are we in morning business?

The ACTING PRESIDENT pro tempore. We are not in morning business.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business, with Senators allowed to speak therein for up to 10 minutes each.

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

The Senator from Nebraska.

HEALTH CARE

Mr. JOHANNIS. Mr. President, late last week, media reports heralded the decrease in the pricetag of the HELP Committee's health care proposal. But I would suggest that before we uncork the champagne, before we celebrate a great accomplishment, let's study more closely the untold story. I believe we will find accounting gymnastics that have been employed.

While the headlines may have touted a HELP Committee bill that scored at \$611 billion over 10 years, the real pricetag, when fully implemented, actually totals about \$2 trillion.

That is a big darn difference. An almost \$1.5 trillion discrepancy simply cannot be swept under the rug. It is too big to be a rounding error—even in the Federal Government—and too much of a budget buster to be ignored. So where is the difference?

First, the Congressional Budget Office assumes it will take the Federal bureaucrats over 4 years to get the government-run health care and other subsidies up and running. So while the \$611 billion score claims to be a 10-year number, essentially it only covers 6 years of the costs.

If you look at the CBO score for the first 10 years after the program is fully implemented, the actual spending is closer to \$1.5 trillion. In addition, while the press releases were claiming credit for increased insurance coverage, they were actually leaving out what it actually cost to make that happen.

That euphoric claim that 97 percent of Americans would be covered under the HELP proposal is not even in the HELP Committee proposal. Only in Washington can you assume something to be, take credit for the accomplishment, and then not pay the bill.

The 97-percent statistic is based on an assumption. The assumption is that Medicaid will be expanded up to 150 percent of the Federal poverty level. This expansion is estimated to bring 20 million new people into a government-run health care plan.

However, CBO estimates that it will cost around \$500 billion over 10 years. Nowhere is that cost yet considered. And this is only the Federal share of the program. It does not take into account the State taxes that will need to be raised in order for each State to pay its share of this bill.

At one point, I was a Governor. In my own State of Nebraska, this expansion will cost the State taxpayers \$73 million a year when they have to assume the costs of the program. That is a lot of money to come up with in these tough economic times.

The American people, I believe, deserve more than budgetary tricks. Let's be honest about what we are trying to do here, and let's be very candid with people about the real costs, the fully implemented costs of the program. Let's also be very upfront about the realities of what a government-run program can or cannot accomplish in actually bringing down health care costs.

Some claim that a government-run plan will serve as competition for private insurance and, thus, will bring down the cost of those insurance premiums. However, the CBO score makes it clear that if a government-run plan competes on a truly level playing field, it is not going to lower health care costs. The only way a government-run program can offer reduced insurance premiums is if they pay providers and hospitals at rates equivalent to current government programs. But this wouldn't cover costs. Instead, it would create cost shifting under private insurance, which is already happening today. CBO cautioned that reducing payment rates would only increase the access problems we have with current government programs.

Currently, we know 40 percent of doctors don't take Medicaid patients. It is not that they don't want to; it is because the rates are so low they don't cover their costs. This directly contradicts President Obama's message: If you like your doctors, you will be able to keep them.

The reality is, on this government program—Medicaid—which is due to insure more, that is not the case. The CBO score actually confirms that many employees would lose their employer-based health care should this bill become law.

Let me put up a chart, if I might.

In fact, the HELP Committee's bill seems to directly encourage employers to dump their employees into a government-run plan. In the committee draft, businesses that employ 25 or more employees would be required to pay an annual penalty, which is shown here, of \$750 for a full-time employee, if they choose not to provide private health insurance for the employees. When you do the math, though, this isn't a penalty at all compared to the cost of private insurance.

Looking again at the chart, in 2008, the average employer's cost for an individual in a group plan was \$3,983. So putting their employees on the public plan option is actually a savings. It is a savings, as the chart shows, of \$3,233 a year for each employee for that employer.

Paying the so-called penalty to get out from underneath the private insurance costs looks like a pretty smart

business decision. In fact, I don't think it is a coincidence that a very large retailer recently came out in support of the employer mandate. When I heard this news, my initial reaction was, What is the catch?

Well, I think we found the catch. With over 1.4 million employees, this company reports that 51.8 percent of their employees have coverage through an employee health care plan. If all of these employees end up on the public plan, it would save this company \$2.4 billion a year. The employees, members of our middle class, lose their insurance plan and the promise is not kept.

It is no surprise the company does very well: \$2.4 billion goes to the bottom line. Also no surprise, this company is supporting an employer mandate. Ultimately, people will not have a choice to keep their employer-based coverage and will not receive the same level of care when their employer dumps them onto the government plan to make their bottom line look better. This will directly impact the ability of the middle class to choose the doctor they want. It will inject government bureaucrats into their medical decisions because they have no choice. It is an employer's choice to move you to the government plan. To promise otherwise is misleading.

False promises will not help us achieve true solutions. Congress has been tasked with solving this problem, and we must work together to resolve the problem of reining in soaring costs. Adding another \$2 trillion entitlement program onto a budget that is already in serious trouble doesn't make sense.

The American people have sent us to Washington to identify the problem and fix it, not exacerbate it. Let's not put together bad policy and end up with another financial debacle. This time there is far more than money on the line. Americans treasure their ability to choose their doctors, to receive treatment, to have control of their life. They don't want a Federal bureaucrat in the middle of it. So let's be candid with the American people and put together a good bill that actually addresses the real problems. Let's get it right this time.

Mr. President, I yield the floor.

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

Mr. KAUFMAN. Mr. President, I ask unanimous consent to speak as in morning business for 20 minutes.

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

HEALTH CARE

Mr. KAUFMAN. Mr. President, I rise today to talk about health care and why Congress needs to pass reform now.

There are three simple truths to healthcare reform:

First, if we don't pass healthcare reform this year, the stars will not align

for another opportunity to pass a major reform bill for years and years to come.

Don't kid yourself: The last time Congress failed to pass major health care reform, 15 years passed until today.

If the Congress fails to enact a health care reform bill this year, with a new President in his first year in office who has a strong relationship with Congress, it simply will not be done until years from now when the system has collapsed into truly catastrophic shape.

And that leads to the second simple truth: We must pass reform now because the consequences of failure are not that we will be stuck with the health care system we have today. The consequences of failure are a very ugly health care reality our system is quickly becoming.

Our health care system has become a gigantic resource-eating machine which over time sucks in more money and yet delivers fewer options and decreased quality care, rising premiums, uncertain coverage, decreased quality.

That is the reality.

The comparison of failing to enact reform is not to the system we have today but to a very ugly destiny we will face relatively soon.

For example, if we do nothing, by 2016 health care premiums are projected to grow to an average of \$24,000 per family. Let me repeat, by 2016, \$24,000 on average for health care costs per family every year. That is simply unacceptable.

The third simple truth of health care reform is that if you like what you have today, we need health care reform so you can keep it.

We need reform to maintain stable coverage that can't be taken away from you; to maintain stable costs, that will not eat away at your paycheck and will not put coverage out of reach; and to maintain stable quality, so you get the treatment you need, when you need it, and from the doctor you choose.

Only reform keeps and improves on the best of our current system. Failure to act pleads to a catastrophic health care future. I am not exaggerating.

This is where we are. The pressures on the system are building. If we fail to act now, those pressures will cause rising costs, decreased choice, the loss of access to current quality health care and basically worse health care outcomes across the board than we face today.

Let me add some additional statistics and projections.

Health care spending is swallowing up our gross domestic product, GDP. In 2009, health care will account for 18 percent of our GDP.

Eighteen cents of every dollar we spend is dedicated to health care. If we do nothing, this will rise to 28 percent of GDP in 2030 and 34 percent in 2040. This trajectory is unsustainable.

Today, the average premium for family coverage is just over \$12,000—an increase of 119 percent in 9 years. As I