you talk to small businesses in any State—I am sure this is true in Virginia, as well as it is true in Colorado—small business owners are desperately trying to keep their employees insured, but the choice they are making is to pay them less in wages. This wage compression is related directly to the rate of the insurance premium.

The other chart of this slide simply shows if we change nothing there are going to be families all across this country who, by 2016, are going to be spending 40 percent of their income on health care—that is before you get to higher ed; that is before you get to rent or food—40 percent of every dollar on health care. It is absurd.

We see that health care is bankrupting middle-class Americans all over this country. We know 62 percent of bankruptcies are health care related. What is staggering to me is, 78 percent of those bankruptcies are happening to people who had insurance. The entire reason people buy insurance is so they have stability when their child gets sick or their spouse gets sick or they get sick. Seventy-eight percent of these bankruptcies have happened to people who had insurance.

Then, finally, no one is burdened more by the current system than small business and the employees who work for small businesses. In our State, small business pays 18 percent more for health insurance just because they are small. When I say that, sometimes people say: Well, Michael, don't you understand that is because the pool is smaller and it is harder to spread the risk. I say: I understand that. But from a business point of view—and the Senator from Virginia and I both have spent a lot of time in our careers working in the private sector—from a business point of view, that is absurd because these small businesses, if they are investing 18 percent more, ought to be expecting to be 18 percent more productive or, at a minimum, ought to have 18 percent better health care, and that is absolutely not the case.

Mr. President, I ask unanimous consent for 1 additional minute.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

Mr. BENNET. My final point, Mr. President, is we have been having a healthy debate about how we should do this reform, and there are a lot of people who are concerned about things such as a public option, things such as government control over health care. I would argue that the status quo is what is producing that because fewer and fewer of our working families are covered at work—which is what this slide shows—and for every one of those people who then goes on uncompensated care, it is paid for by the American people.

So I join my colleagues today in saying, we absolutely cannot maintain this status quo. It is absolutely unsustainable. I look forward to a thoughtful, commonsense reform that works for working families and small businesses in my State.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Virginia.

Mr. WARNER. Mr. President, I thank our colleagues on the other side of the aisle for the additional time.

I appreciate the opportunity we have had to make our statements.

The ACTING PRESIDENT pro tempore. The time is expired.

Mr. ALEXANDER. Mr. President, how much time is available for the Republican side?

The PRESIDING OFFICER (Mr. BENNET). Forty-nine minutes.

The Senator from Tennessee is recognized.

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

HEALTH CARE REFORM

Mr. ALEXANDER. Mr. President, I commend my friends on the Democratic side for their interest in health care reform and their coming here to express their views. I can say to them very clearly there is 100 percent agreement on the Republican side that we do not want the status quo, and there is 100 percent agreement on the Republican side that there would be one thing worse than the status quo and that would be higher premium costs, more debt for the government, and higher taxes.

I am afraid that is what my friends are arguing for because they are continuing to say they want to insure at least 30 million more people, they want to improve the benefits for people already on insurance, and they want to reduce costs. That does not add up. So I think it is time we get down to some reality in this discussion about: How can we best achieve health care reform in this country?

We, on the Republican side, want health care reform, but we do not want more debt, more taxes, and higher premium costs for people who cannot afford their insurance policies now. Yet the proposals we have seen on that side of the aisle do that.

Our focus should be about one thing. Health care reform should be about one thing: reducing costs, reducing costs to individuals and small businesses who are paying for health care, and reducing the cost to our government, which is the responsibility of every single one of us taxpayers in this country.

We have had several proposals from the Democratic side that increase the debt and increase the cost, and the President himself, in effect, rejected them in his address to Congress the other day because he said there cannot be one dime of deficit, not one dime. So the bill that came out of the HELP Committee in the Senate—it is out of here. The bill that is coming out of the House of Representatives that has been through several committees—it cannot be considered under the President's own standard that it cannot increase the deficit one dime.

I am glad he is saying that. I am glad he is saying that because he is already proposing we increase our national debt by $9 trillion over the next 10 years—doubling our national debt, tripling it over 10 years, spending more over the next 10 years, three times as much as we spent in World War II—amounts that have most people in this country alarmed about the debt of this government. So this should be a straightforward discussion about costs, reducing the cost of health care to you, if you are buying health care, and reducing the cost of health care to your government, which you are responsible for.

So the President has done us a favor. He said do not worry about the Senate bill that came out of the HELP Committee because—in effect, he said this—it adds to the deficit, so it has to go. For the bills coming out of the House of Representatives, the Congressional Budget Office has told us it adds to the deficit in the first 10 years, and it adds to the deficit even more in the next 10 years, so it has to go.

So now we have a new bill, and it is already a 250-page—I misspoke. It is not a bill yet. It is 250 pages of concepts. It is important for the American people to understand this. I think one of the things we have all heard, as much as anything, when we have gone home is: Did you read the bill? That is a pretty good question. It is a pretty big job because we have gotten in the habit around here of coming up with 1,000-page bills that Senators and Congressmen do not read. So the American people are saying to us: At least read the bill. They are saying to us, second: At least know what it costs. So that is a bare minimum of what we should insist on as we are going forward.

The bill introduced by the distinguished Senator who is the chairman of the Finance Committee is 250 pages of concepts. So everyone understands where we are in the process, the Finance Committee is meeting. They will be meeting all week. My guess is they will be meeting next week. They are trying to agree on what those concepts will finally be. The chairman has recommended what he thinks they ought to be, and now the committee is going to say what they think they should be.

Then, as I understand it, the Democratic leader is going to try to fit this bill that came out of the HELP Committee—that the President, in effect, has rejected because he says no deficit—well, it has a deficit—and he is going to try to put that bill that raises costs with the Baucus bill and turn it into one bill. The bill that came out of the HELP Committee is already nearly 1,000 pages. I do not know yet what will be coming out of the Finance Committee.

So in a week or two, we are going to be having another big bill we will have to read. Then the Congressional Budget Office, which is our official nonpartisan outfit that tells us what things cost—appointed by the majority

but still nonpartisan—told Senator BAUCUS yesterday it would take about 2 weeks for them to tell us how much it will cost.

So the way I am adding up the weeks, I am saying a week or two for the Finance Committee to come up with a bill—maybe a week to write the bill—and the Congressional Budget Office says after the bill is written, it takes 2 weeks to know the formal cost. Then we ought to have several weeks to debate the bill. That is what we did with the Energy bill for 4 or 5 weeks and, of course, we should do just that. So we need the time to do it, and we need to be able to say to people when we go home: I read the bill and I know exactly what it costs and here is what I think about it.

What about the Baucus concepts—not the Baucus bill; they don't have the bill yet—but the concepts. The Congressional Budget Office released an analysis of the impact of the Baucus budget plan on insurance. It shows that the premiums for those in the individual market under the Baucus bill don't go down, they go up. This is supposed to be about reducing the cost of premiums that Americans have for their health care, and under the Baucus bill so far, on its first day of consideration by the full Finance Committee, the premiums go up and taxes on insurers, drugs, and devices would be passed on to consumers in the form of higher premiums. This is not fearmongers saying that; this is not Republicans saying that; it is not the doctors saying that; it is the Congressional Budget Office appointed by the majority, the Democratic majority. Premiums go up under the Baucus bill. That means Americans will pay more, not less, for their health insurance under the bill as it is today.

Here is what the Congressional Budget Office said:

Under current law, premiums on employment-based plans would not include the effect of the annual fees imposed under the proposal on manufacturers and importers of brand-name drugs and medical devices, on health insurance providers, and on clinical laboratories.

These are new taxes.

Premiums for exchange plans——

These would be plans in the exchange that you might choose if you were an individual—

Premiums for exchange plans would include the effect of those fees, which would increase premiums by roughly 1 percent.

That is the Congressional Budget Office about the Baucus concepts.

CBO, the Congressional Budget Office, went on to say:

At the same time, premiums in the new insurance exchanges——

These are the marketplaces where under this plan you would go to buy your insurance——

would tend to be higher than the average premiums in the current-law individual market.

So the premiums under the new bill and the new exchange would be higher than you are paying today. CBO says:

Again, with other factors held equal, because the new policies would have to cover preexisting medical conditions and could not deny coverage to people with high expected costs for health care.

CBO goes on to say:

People with low expected costs for health care, however, would generally pay higher premiums.

So if you make a promise to improve the benefits, somebody else is going to pay for them. That is mathematics. That is the way the world works. Fortunately, we have the Congressional Budget Office to say under this plan premiums would go up. It continues:

For families, premiums plus cost-sharing payments would range from about $2,900 for those with incomes of $30,000, to nearly $20,000 annually for premiums for those with incomes above $96,000.

So costs go up to individuals under the Baucus concepts. Additionally, we should consider the cost to our government. Most Americans are very much aware—I think that is why they have been turning out in record numbers in town meetings—that the government is not some remote, abstract thing; we own it, and we own the debt too. According to the Budget Committee staff, the real 10-year cost of the Baucus concept when fully implemented will be $1.67 trillion because the main spending provisions won't go into effect until 2013.

In other words, when we talk about 10-year costs around here, the next 10 years aren't an accurate picture because the bill isn't fully implemented until you get on down the road 3 or 4 years to 2013. So if you take a full 10 years—a full implementation of the bill—the Budget Committee says it is about $1.67 trillion in new costs. However, there are new taxes and fees to pay for that: $838 billion over 10 full years of implementation, and those new taxes and fees go into effect immediately.

The long-term deficit reductions predicted in the bill depend on Congress—that is us—approving cuts year after year to Medicare providers. Medicare providers are doctors, hospitals, hospices, and home health agencies. In other words, to make this bill balance the budget and not add to the deficit, we are going to have to have cuts year after year to Medicare, cuts to doctors, cuts to hospitals, cuts to hospices, and cuts to home health agencies.

I thought I heard the President say in his speech the other night there will be no cuts to Medicare. He did say that. It turns out not to be true in the Baucus proposal. It could be true if Congress were willing to support cuts year after year to Medicare, hospitals, doctors, home health agencies, and hospices, but we have never done that. In fact, a few years ago we Republicans tried to restrict the growth of Medicare by $10 billion a year—I think it was from 43 percent to 41 percent over 5 years—and we had to bring the Vice President back from overseas to cast the deciding vote because everybody on the Democratic side wouldn't even vote for $10 billion in reduced savings to Medicare. Yet what we are proposing here assumes that suddenly we have all changed and we are going to allow cuts year after year to people who provide services to Medicare.

CBO found that its projections ''assume that the proposals are enacted and remain unchanged throughout the next two decades, which is often not the case,'' it wisely said.

CBO goes on: ''For example, the sustainable growth rate''—we call that the ''doc fix'' around here when we come in once a year and automatically—doctors' payments under Medicare, which is already only 80 percent—doctors earn only about 80 percent under Medicare compared to what they earn when they see private patients—so we automatically cut their pay by 20 percent and we always come in and raise it back up to about what it was the year before.

So CBO is telling us that the sustainable growth rate—the ''doc fix'' ''governing Medicare to physicians—has frequently been modified.'' That is an understatement. It has been modified almost every year ''to avoid reductions in those payments'' and that ''the long-term budgetary impact could be quite different if those provisions were ultimately changed or not fully implemented.''

So unless we have massive cuts in Medicare, we are not going to be able to balance the budget with this bill.

We don't know how much this bill will cost State governments. The distinguished Senator from Nebraska is on the floor. He was a Governor. I was a Governor. We have all struggled with Medicaid. I think our view is that dumping another 15 million low-income Americans into Medicaid is not health care reform. Doctors and providers are only reimbursed about 61 or 62 percent of their costs for providing services to Medicaid patients, so 40 percent of doctors won't see Medicaid patients. Dumping a low-income American into the Medicaid program is like giving them a bus ticket to a bus line that only runs 60 percent of the time. It is not health care reform. Even so, this will cost State governments, and all the Governors—Democrats and Republicans—are opposed to the concept in this bill that transfers some of the cost of increased Medicaid to the States. Their view is—and I think they are right on this—if the Federal Government wants to expand Medicaid, the Federal Government should pay for it. I haven't been able to even get an estimate of how much this will cost Tennessee. We are trying to figure that out. Senator CORNYN said his estimate is about $2 billion a year for Texas.

Additionally, the proposal cuts nearly $500 billion from Medicare to fund this new government program even though Medicare will start going bankrupt in 2017. Yesterday I heard the president of the Mayo Clinic on National Public Radio say that any public

option that looked like Medicare would bankrupt the country overnight, since trustees have said that Medicare is likely to go broke in 2015 to 2017.

I am afraid we need to start over. I admire Senator BAUCUS's effort, but we don't do comprehensive very well here. A 1,000-page bill is not likely to solve the problem. It is time to bring an end to the era of these 1,000-page bills that are so complicated no one can understand them or have time to read them. Instead, I believe we should move step by step to lower health care costs and re-earn the trust of the American people.

I see the Senator from Nebraska and I will soon defer to him, or to the Senator from South Dakota, whichever one is next. But in conclusion, these are the things we can start doing today to move step by step in the right direction to lower costs: allow small businesses to pool to reduce health care costs; reform medical malpractice laws; allow individual Americans the ability to purchase health insurance across State lines; ensure that Americans who currently qualify for existing programs such as Medicaid and SCHIP who are not enrolled to be signed up; create health insurance exchanges so you can find coverage; and incentivize health reform technology. We can agree on those things. We can take those steps and we can reduce the costs of health care to each American family and to our government.

I thank the President and I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. THUNE. Mr. President, I wish to thank the Senator from Tennessee for very effectively making the arguments that many Americans want to hear voiced in this debate about health care and a whole range of other issues. The Senator from Tennessee has pointed out as a former Governor—and we have another former Governor, the Senator from Nebraska, here today as well—the impact that many of these proposals would have on State budgets. The former Governor of Tennessee has described it as ''the mother of all unfunded mandates.'' I think that is a view that is shared by many other Governors across this country, about the impact some of these expansions would have, not just on Federal budgets but on State budgets.

I have had numerous discussions with the Governor of South Dakota about this and he last suggested that the minimum amount, the conservative amount of additional funding that would be required each year to meet some of these expansions of Medicaid that are called for in these various health care reform bills would be about $45 million a year. Around here that doesn't sound like a lot of money, but in the State of South Dakota that is real money. That is a real impact and it would require higher taxes or significant cuts in their budget in my State of South Dakota. So that is one aspect of this argument.

I might say that like some of my colleagues who over the month of August were out in their individual States listening to their constituents, I was doing the same thing. I conducted a series of townhall meetings in my State and I heard from people all across my State in every geographic region. Of course, as is typical in the Midwest, people were very respectful and it was a very civil discussion. But one could not miss the intensity people felt on not only the health care issue, because that happened to be the main subject of debate, but a range of other issues. I think it comes down to two fundamental issues. I think at least in my State of South Dakota this seems to be the case—as it was in some of the other meetings around the country in other States—that people were concerned about two issues. One was the issue of control and the other was the issue of cost.

With the issue of control, it is a question of who has the power when it comes to the debate about health care and when it comes to the debate about higher energy costs. Is all this sort of consolidation and expansion of the Federal Government here in Washington, DC going to mean people in this country have less control when it comes to their own health care? Is the government going to be stepping in and intervening more and making a lot of these decisions and dictating out of some bureaucracy in Washington, DC what happens in the world of health care, which for most people is very personal to them? That is why I think there was such a visceral reaction across the country to some of these proposals.

I think the other issue is cost. People have a sense that things are sort of spinning out of control. I think there are a couple of sort of basic principles that are fairly pervasive in the mindset of most people where I come from in the upper Midwest and that is, No. 1, you can't spend money you don't have; and No. 2, when you borrow money, you do have to pay it back. They see this incredible borrowing spree and this incredible spending spree here in Washington, DC and they are wondering, How is this all going to end? What does it mean not only for me and for my family but for future generations? Are we borrowing at levels that are not sustainable into the future? I think that has really gripped people across this country as they have looked at not only the health care debate but also the question of all of these government takeovers of financial services and insurance companies and auto manufacturers, and the list sort of goes on and on.

The most recent example of that would be student loans where, again, we see the Federal Government trying to pull the reins in and move all of the guaranteed loan programs that currently operate in this country through the financial services industry and commercial banks into the Federal Government. The Federal Government would be the entity that makes all of these loans directly. Well, that ends up adding several hundred billion dollars to the Federal debt which we are already talking about raising here in the middle of next month. In the middle of October the debt limit is going to have to be raised. So we have all of that student loan exposure now, liability coming on to folks from the Federal Government. We have TARP which is said to expire at the end of this year, on December 31, unless Secretary Geithner certifies to Congress that he is going to extend it.

I wrote a letter—and last week 39 of my colleagues signed it—asking the Secretary of the Treasury when TARP expires on December 31 not to extend it because, there again, there are unobligated balances in TARP funding that could be used that would reduce the overall amount of the debt, the overall amount of the deficit.

And the truth be known, I don't think any American wants to see the TARP funds becoming a slush fund to fund other types of endeavors the Federal Government might undertake. They want to see this program that was temporary and was designed to prevent imminent financial collapse and provide stability to the financial services industry expire. Now that that purpose has been served, we should not continue to have hundreds of billions of dollars of taxpayer dollars out there that could be recycled or put into some other industry the government decides to select.

I hope the Secretary will heed the suggestion made by myself and 39 colleagues in our letter and let the TARP program expire. I say that because this paints a broader picture, a narrative, that I believe is of great concern to the American people, which is the reason we saw so much intensity at many townhall meetings over the break.

The health care debate is occurring right now in real time. We have had four of the five committees record bills that have jurisdiction over health care in the Congress—three in the House and one in the Senate. The Senate Finance Committee is marking up their bill this week. We expect that will be completed and that this could be put on the floor sometime in the next few weeks. That seems to be a very fast schedule considering the consequence of what we are doing. We are talking about one-sixth of the American economy, about reorganizing one-sixth of the American economy. Mr. President, $2.5 trillion annually is spent on health care in this country. I think we better make sure we do it right. All we have seen so far in the Finance Committee is a 220-page summary, which we assume, when translated into legislative language, is going to be more than 1,000 pages. That is something many of us will want to have time to digest, and we would like our constituents to look at it to see whether it makes sense to them.

I think probably the biggest reaction I saw during the August break in the discussions I had with constituents in South Dakota was a negative reaction in opposition to the notion of a government plan, that the government would create this public plan option—essentially a government plan. A lot of people who derive health care coverage in the private marketplace today would by default be pushed into that government plan, and you would have the government involved at a much higher level in driving a lot of the health care decisions in this country. There was a real reaction to that.

The point I made earlier as to what I think people were reacting to is the issue of control, power. Who has the power? Is the Federal Government trying to buy this expansion, create more power in Washington, and take away some of the power and decisionmaking that should occur between patients and their doctors? That was the one issue. The Finance Committee plan, to their credit, has done away with that—at least for the time being. They decided to proceed in a different direction.

That being said, the issue remains that people were responding to during August; that is, the issue of cost. According to the Congressional Budget Office, the overall cost of this, for the immediate 10 years, is a little under $1 trillion. When fully implemented, the cost of the plan is still $1.7 trillion, which has to be paid for somehow. They said they are not going to add to the deficit. The proposal is to reduce Medicare by $500 billion. The balance will be raised in the form of tax increases, revenue raisers.

People are looking at this and saying: OK, a $1.7 trillion expansion; what do we get in exchange for that? People will be covered who are not currently covered, but a lot of people who don't have insurance still won't be covered under the proposal the Finance Committee is currently considering. But it is still going to cost $1.7 trillion.

If you are a taxpayer saying: OK, what is this going to cost and how may it impact my insurance premiums if I already have health insurance coverage, I think the answer was given by CBO Director Doug Elmendorf in response to a question. Senator CORNYN posed the question, and it had to do with: Will this lead to higher premiums? If you read from the letter, it says:

> Senator, our judgment is that that piece of the legislation would raise insurance premiums by roughly the amount of the money collected.

Whatever is collected in the higher taxes that are going to be put on somebody else—that is always the assumption—is going to be put, in this case, on the insurance companies. But does anybody believe for a minute that will not be passed on to the American consumer? It is going to be.

So what does this legislation actually do to drive costs down? My whole argument in this health care reform debate has been that anything we do ought to bend the cost curve down, not raise it. Almost every proposal we have seen increases or raises the cost curve. This is another example, according to the CBO, of a plan that, in the end, is going to raise insurance premiums for most Americans.

The other thing I think is important to note here—and the same response was given by the chief of staff of the Joint Tax Committee. He answered the question the same way: We analyzed this largely falling on the consumer, and that would happen in a couple of different ways. This is going to be eventually little paid by the consumer. It is a tax increase.

The other point is that the assumption is that the portion that is not raised through revenue increases, tax increases, will be paid for in the form of Medicare reductions. Do we really believe $500 billion in Medicare reductions will be achieved by the Congress? And we know how difficult it is around here to talk about reducing Medicare. My view is, if we are talking about making Medicare more sustainable, we ought to look at how we can reform it and find savings. But this is going to take a new entitlement program and put it on top of a program that we are told will be bankrupt by 2017.

I still think we can do health care reform here that does bend the cost curve down, lowers costs for most Americans, and provides access to more Americans as well. We have not seen a proposal yet that doesn't include a significant increase in the amount of Federal Government control, of power in Washington, DC, an expansion of the Federal Government. We have not seen a proposal that actually does anything to get costs under control for most consumers. For most consumers, that is the issue; it is a cost issue. Furthermore, we are looking at proposals, from a taxpayer's standpoint, that will increase spending and borrowing and it will pass more and more of that debt on to future generations.

So we need to proceed slowly and get this right. We need to focus on ideas that actually reduce costs, such as allowing people to buy insurance across State lines or to join small business health plans, which is something we have tried to get through for a long period of time, unsuccessfully, or dealing with medical malpractice reform, so people can get insurance in the private marketplace.

This level of government expansion, this level of spending and borrowing is unacceptable to the American people. That is why they are reacting so negatively. It comes down to control and who has the power. Is it the Federal Government or the American people? It comes down to costs. What are we doing to future generations with the amount of spending and borrowing we are doing?

I hope we will take it slower and get it right and focus on initiatives and ideas that will get costs under control and that before Congress adopts health care reform, that will be the focus, not expansion of government in Washington, DC, at trillions of dollars in additional costs to the American taxpayer and no savings to the ratepayer out there trying to get their insurance premiums under control.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. JOHANNS. Mr. President, I wish to start out this morning by complimenting the distinguished Senator from Tennessee and the Senator from South Dakota. They have raised some excellent points. As I have listened to them, I have to tell you, I think they have offered a lot to move the debate forward.

I rise today to shine the light on what I consider budgetary gimmicks and omissions in the Finance Committee health care proposal.

Both Republicans and Democrats should be able to agree that one of the things we need to do in accomplishing true health care reform is to do it in a fiscally responsible way. We all went back home in August, and I heard the message very loud and clear from Nebraskans. They want honesty and full transparency as we attempt to achieve health care reform.

Americans believed the President when he said he wanted an open and transparent process. We all agree on that. Unfortunately, what we have is not transparent, and I argue that it is based on false assumptions. Honestly, an American family would have to hire a whole team of accountants to understand all that is hidden in the Finance Committee draft.

While the CBO has scored the bill as $774 billion, the real cost of the bill—and that cost is moving up every day—is closer to $1.7 trillion over 10 years, as the previous two Senators have pointed out. What its supporters neglect to tell you is that the main spending provisions in this proposal don't go into effect until 2013. That is right, the American public will have to wait 4 years before most of the new initiatives even get off the ground. So none of us should be surprised when the American people really laugh at an arbitrary deadline of the end of the week or the first of next week for finalizing committee action. They don't understand the need to hurry. The proponents claim it is such a crisis that we should rush through. Yet their fixes don't take effect for 4 years.

You can understand the American public's frustration and skepticism. They must watch the evening news—whatever their flavor of news is—and look at the Capitol dome and ask the question: What is going on? What is happening out there? They have to be scratching their heads in amazement. If they ran their business or household this way, they would be in bankruptcy.

If that weren't enough to fill an entire gymnasium full of townhall participants, there is, unfortunately,

much more. The proposal requires new taxes on everything from medical device manufacturers, health insurance premiums, and pharmaceutical manufacturers, topped off with additional Medicare cuts of about $500 billion and, of course, unfunded mandates on the States in the form of the expansion of Medicaid, which I am all too familiar with as a former Governor.

Let me translate this. Higher taxes will be passed on to the American people. All these taxes, these fees, and these mandates will only increase the cost of health care. They don't decrease it when all this is passed on to the American consumers.

While the promised benefits don't kick in until year 4, the taxes and fees, interestingly enough, start right away, almost on day one.

In effect, the bill is structured to impose 10 years and $848 billion worth of new taxes and fees, and you get in return 6 years of additional benefits under this bill. The creative accounting, unfortunately, only appears to get cheers inside the beltway. Yet the average American thinks we don't have a clue.

Another hidden cost is the new mandate on States through an expansion of Medicaid. I wish to spend a moment on that.

Partial costs to expand the Medicaid Program up to 133 percent of the poverty limit will be put on the States. This unfunded mandate will cost States—and estimates will vary—about $42 billion. Of course, that is not built into the cost estimate, not because the American people don't pay for it, because they will, but because it doesn't fall on the Federal budget. Who gets to pay the costs here? Well, obviously, once again, it will fall on the American people.

I come from a State that is fiscally responsible. We have only two ways to deal with this kind of issue because our constitution prohibits us from borrowing money. What a unique concept; Nebraska doesn't borrow money. We have only two choices: we can cut programs or we can raise taxes. If we cut programs, things such as education, senior initiatives, infrastructure projects, prisons to keep the bad guys out of society, and other very valuable programs could find their budgets destroyed.

In these times of tight budgets, States have already slashed their budgets. They are down to the bone, and they are trying to figure out how they will balance next year's budget. I suggest the Federal Government giving them another layer of spending is not the answer.

The other alternative is to raise taxes, hit the consumer again. But that is not the right way to go either. But it seems that what we are doing with this mother of all unfunded mandates is making this choice inevitable.

Folks in Nebraska and across the country are going to resent seeing their State paying higher taxes because the Federal Government put them in this fiscal straitjacket. In addition, one of the main pay-fors in this legislation is $400 billion, $500 billion in Medicare cuts. Despite the fact that the Medicare trustees report projects that Medicare will be bankrupt by 2017, none of the $400 billion goes toward shoring up our already pending fiscal crisis.

The false promise being made is that we can both fund this new entitlement with Medicare money and keep our commitment to senior citizens. I am not naive enough to buy that bag of goods and neither are our seniors. We are asking them to choose the prize behind the curtain when the prize is a goat.

I am deeply concerned that we are compounding the problem by not reinvesting these dollars back into Medicare. That is why I hope the Finance Committee will see the light today and adopt important amendments by the junior Senators from Kansas and Nevada.

Even the nonpartisan Congressional Budget Office Director admitted yesterday that these cuts to Medicare will decrease current insurance benefits that our seniors now enjoy.

Finally, this Finance Committee proposal is built on false assumptions when it comes to cost containment. The bill is based on the fantasyland assumption that scheduled sometimes double-digit payment cuts to medical professionals will be allowed to take place. The history is very much the opposite. We do the doctor fix on an annual basis.

Any Senator who votes for this Finance Committee proposal should be required to publicly state their support for a 25-percent cut in physician reimbursement rates beginning in 2 years.

Their proposals credit themselves free money by assuming savings in this area. Yet they know Congress waives the Budget Act, waives pay-go, and suspends these cuts year in and year out with a lot of support, I might add.

In fact, the Congressional Budget Office states:

> These projections assume that the proposals are enacted and remained unchanged throughout the next two decades, which is often not the case for major legislation.
>
> For example, the sustainable growth rate, SGR, mechanism governing Medicare's payments to physicians has frequently been modified to avoid reductions in those payments.

Therefore, I am not going to count on Congress acting any differently in the near future, and any cost estimate that assumes otherwise, I say, is not based on reality. We all know what they say about good intentions, but I still believe you do not spend money until you know from where the money is coming.

The American public simply deserves a very transparent discussion about our current and future actions, what they are going to cost, and what they will lead to in terms of our health care system instead of a house of cards. The American people have asked us to be transparent. They know we have to make tough decisions. They just want to understand the ramifications of what we are deciding. That means they want us to read the bill. They want us to do that before we vote. They want us to have a full picture of how this will affect budget deficits and the fiscal outlook. And they want us to communicate that to them.

The American people want to know how this proposal will impact them and what it will do to the current health care system and their costs. Basically, they want us to know all the details before we rush into a vote. That means we need the time to look at this bill. This is going to be a 1,000-page bill, a Senate Finance Committee with no legislative language that is working now, a plan to consider almost 500 amendments, and yet they want to get it done this week. Mr. President, it is time to call a timeout and get this right.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Mr. President, as I listen to all of the discussion about health care, I have come to several conclusions. No. 1, there is a 100-percent bipartisan agreement that something has to be done. But No. 2, there is a growing strong bipartisan agreement that this bill is not the something that should be done.

From the New York Times:

> The first big fight over the Senate Finance Committee's health care legislation erupted Tuesday night: a rollicking brawl over a deal that the Obama administration cut with the pharmaceutical industry to achieve $80 billion in saving on drug costs over 10 years, money that would help pay for the legislation. Top House Democrats have hated the deal from the get-go. Senate Democrats are now bitterly divided. . . .

This resonates with the comment that the Republican leader made where he says the only truly bipartisan thing about this bill is the opposition to it. I think this demonstrates that we need to slow down, start over, and do it right.

We have heard many speeches saying we can't wait. We see people carrying signs: ''Health Care Reform Now.'' We have just heard from the Senator from Nebraska that this bill will give us health care reform not now—4 years from now. Four years is a long time to wait. We can do it faster than 4 years, but we can do it faster only if we slow down, start over, and do it right. We can do it in this Congress if we slow down, start over, and do it right.

What are the things on which we need to start over? The looming challenge in this whole debate is cost. The numbers that are being thrown around are astronomical, and we still don't know exactly what they are. These are still estimates. The Senate Finance Committee has not reduced their proposal to legislative language. The CBO says: We can't give it a score until we get legislative language, and by the time we get the language, it is at least

2 weeks before we can produce a score. Yet we are being told we must pass this bill next week? Slow down, start over, and do it right.

We are going to pay for it, we are being told, by taking $500 billion out of Medicare. And every study of Medicare says at least $500 billion is being wasted, so that is easy. Let's take $500 billion out, and we will solve the problem.

We can take $500 billion out of Medicare with a meat cleaver, and that means we are cutting the programs that are good in Medicare, the things about Medicare that work as well as the things that do not work. Maybe we should slow down, start over, and do it right by taking the $500 billion out of Medicare with a surgeon's scalpel rather than a meat cleaver and spend the time to find out where the money is being wasted, how it could be changed, where the incentives need to be altered so that the $500 billion comes out of the right part of Medicare instead of with a slash with a meat cleaver.

Medicare is not the only one where more careful examination could produce significant savings. We are told that Medicaid in 2007 spent $30 billion improperly. If we extrapolate that over the 10-year period that we use to make these projections, that is $300 billion that could come from Medicaid. Are we going to take a meat cleaver to Medicaid and say we are going to arbitrarily cut $300 billion out of Medicaid in the next 10 years because there is a study that says that much is being wasted or are we going to listen to the Governors, bipartisan, Democrat as well as Republican, who are telling us: What you are doing in this bill on Medicaid is going to bankrupt the States because they simply cannot sustain the kinds of increases that are built into it and nothing will be done about the $30 billion of waste and abuse that is there.

How are we going to get at it? How are we going to discover what that $30 billion is? How are we going to deal with it in a way that does not bankrupt the States? To answer that question, we need to slow down, start over, and get it right.

If I can be provincial and parochial for just a moment, my home State of Utah has done a great amount of work on health care. They have been very entrepreneurial and innovative. They have come up with ideas to deal with health care, ideas from which we at the Federal level could learn a great deal, but we cannot learn anything from the experimentation that is going on in the States if we continue this rush to an arbitrary deadline, to get this thing done within a couple of weeks.

The States have great experience with this. There is much the States can teach us. There is much the Governors need to tell us before we rush to spend this much money, which means we should slow down, start over, and do it right.

As I talk with the businesses, as I talk with my constituents in Utah, I come back to the same thing I said at the beginning. There is a 100-percent bipartisan agreement that something has to be done. Our long-term challenges with health care are absolutely unsustainable, to use a Washington word. That is another word for disastrous.

We have to deal with this, and we have to deal with it in an intelligent way. The numbers are very large, and we have to recognize the stakes are very high. But that is, again, the message that comes from those who will be most affected by what we do, either in their businesses or their personal lives or their tax returns. It is very important that we get it right; and if we are going to get it right, we have to start over. If we are going to start over, we have to slow down.

That is the wisdom this body should adopt as it deals with this challenge so that we can change the reality of where the bipartisan agreement is. Instead of the bipartisan agreement growing in opposition to the bill, we need a circumstance where a bipartisan agreement will grow in support of a bill that will solve our problem. The bill before the Finance Committee is not that bill, and a large number of Members of this body of both parties are increasingly coming to that conclusion.

I yield the floor.

The PRESIDING OFFICER (Mr. KAUFMAN). The Senator from New York.

DEMANDING AN APOLOGY FROM THE GOVERNMENT OF LIBYA

Mr. SCHUMER. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of S. Res. 253, and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The bill clerk read as follows:

A resolution (S. Res. 253) expressing the sense of the Senate that the Government of Libya should apologize for the welcome home ceremony held to celebrate the release of convicted Lockerbie bomber Abdel Baset al-Megrahi.

There being no objection, the Senate proceeded to consider the resolution.

Mr. SCHUMER. Mr. President, I ask unanimous consent that the resolution be agreed to, the motion to reconsider be laid upon the table, with no intervening action or debate, and that any statements relating to the resolution be printed in the RECORD.

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

The resolution (S. Res. 253) was agreed to, as follows:

S. RES. 253

Resolved, That the Senate—

(1) condemns the August 20, 2009, release from prison in Scotland of Abdel Baset al-Megrahi, the lone person convicted in connection with the 1988 bombing of a Pan Am flight over Lockerbie, Scotland, that killed 270 people, including 189 Americans;

(2) condemns the lavish welcome home ceremony held in Tripoli, Libya, to celebrate the release of Mr. al-Megrahi; and

(3) calls on the Government of Libya to apologize for the public celebration of Mr. al-Megrahi's release.

Mr. SCHUMER. Mr. President, I have a brief statement I would like to make about the resolution.

I rise today in support of S. Res. 253, a resolution condemning the release and vile welcome home celebration held for Libyan terrorist and convicted Lockerbie bomber, Abdel Baset al-Megrahi. I also express my sincere thanks and appreciation to my colleagues, Senators LAUTENBERG, GILLIBRAND, WEBB, VOINOVICH, CARDIN, CASEY, MCCASKILL, MENENDEZ, and MIKULSKI for agreeing to cosponsor this resolution.

Mr. President, it is upsetting that Libyan leader COL Muammar Qaddafi is in New York City at this very moment and will be given an opportunity to speak before the United Nations General Assembly. I am disappointed because I sympathize enormously with the families and victims of the deadly Pan Am terrorist attack who will be reminded of that deadly day in December almost 21 years ago when they see Qaddafi grandstanding at the U.N.

On December 21, 1998, Pan Am Flight 103, en route from London's Heathrow Airport to New York's John F. Kennedy International Airport, suddenly exploded over the town of Lockerbie, Scotland, killing all 259 on board and 11 people on the ground. Many New Yorkers and New Jersey residents were among the 189 Americans killed in the bombing. A young man from my neighborhood, whose family was active in a neighboring parish—Our Lady Help of Christians—was killed in the bloom of his early life. That story could be repeated over and over because there were many students who were coming back from a program affiliated with Syracuse University. We know people all over New York State were lost, and many young college students.

In 2001, at least the families of the victims found some solace when justice appeared to have been delivered as Abdel Baset al-Megrahi was convicted of murder and sentenced to life in prison. But to the shock of many people on both sides of the Atlantic, on August 20 of this year, the Scottish Government released al-Megrahi, who is currently suffering from prostate cancer and is predicted to have about 3 months to live. The Scottish Government claimed the release was a compassionate gesture given his failing health.

Upon his return, thousands of young men, who had been transported by the Libyan Government, gathered at the airport in Tripoli to greet the terrorist. They waved banners, threw flower petals after al-Megrahi was escorted from prison by Seif al-Islam el-Qaddafi, the son of COL Muammar Qaddafi. The hero's welcome Libya gave to this terrorist truly shocks the conscience and deserves a formal rebuke.