

Briefly, on health care, the committee is making progress. I am happy about that. I would say that under the Republicans' plan, insurance companies can deny coverage for a pre-existing condition, because you are getting older or because you are a woman. Under their plan, insurance companies can take away your coverage when you need it the most.

Under our plan, if you like what you have, you can keep it; but if you don't, there will be affordable choices for you that cannot be taken away. We will protect Medicare, will not raise taxes on the middle class, and we are not going to add any money to the deficit.

Mr. President, I have been reminded to announce to the Senate—I talked to the Republican leader about this last week—Columbus Day is fast approaching. It is the week after next. With all the things going on here, it would not be right for us to take that week off.

What we are going to do, as I have explained to the Republican leader last week, we will be off that Monday—which is the holiday, Columbus Day—and the following Friday. To make it as convenient as we can for everyone, on Tuesday we will be in session and have a vote late that afternoon. I know that is inconvenient for others because we had indicated there would be that recess.

It is a long period of time, as I have announced on the Senate floor, 11 weeks from the time we started this work period until Thanksgiving. That is a long time when a number of us have families at home, and the work we want to try to do during the week rather than just on weekends. So I apologize to everyone.

Mr. MCCONNELL. If the majority leader will yield, which Tuesday was the leader referring to?

Mr. REID. Tuesday after Columbus Day. It is October 13.

Mr. MCCONNELL. We will be in. There would be a vote at what point on that Tuesday?

Mr. REID. We will vote at 5, 5:30. OK?

As I have indicated, I apologize to everyone for not being able to have that whole week off, but I think with health care, which is beginning to firm up, it would not be right for us to be gone that week. I think we should be able to start our health care work that week in the Senate.

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

Mr. MCCONNELL. Let me reiterate further for the Members on this side of the aisle, what the leader indicated is, the week that includes Columbus Day, which is on a Monday, we will have Monday and Friday of that week off, and he has indicated the first vote will be on the Tuesday after Columbus Day, late in the afternoon.

MCCHRYSTAL PLAN

Mr. MCCONNELL. Mr. President, the situation in Afghanistan is urgent, and

we are told that action is necessary soon. But to better understand the need for action, the American people need to know all the details. And they should have those details explained to them by the man who knows them best.

It is hard to deny the urgency of General McChrystal's assessment, parts of which have already been made public. And it is impossible to ignore his depiction of a grave and deteriorating situation in the same part of the world where a group of terrorists plotted the 9/11 attacks. General McChrystal's assessment of Afghanistan should worry all of us. As the President told a Turkish audience in April, "The world has come too far to let this region backslide, and to let al Qaeda terrorists plot further attacks."

Earlier this year, President Obama expressed his confidence in General McChrystal by appointing him to his current post. Following the President's lead, the Senate expressed its confidence in General McChrystal by confirming him for his current mission without dissent. Now it is time for Congress to hear his detailed assessment of the mission that we confirmed him for, and to give him an opportunity to explain why he has concluded that additional troops are needed to avert failure.

HEALTH CARE WEEK XI, DAY I

Mr. MCCONNELL. Mr. President, Senators will continue to hash out a health care bill in committee today, and anyone who tunes in will hear a dizzying amount of detail about what is in and what is out.

But it is worth noting that the basic shape of this legislation is already clear: Any bill that makes it to the Senate floor will include a heavy dose of tax hikes. Any bill that makes it to the floor will include massive cuts to Medicare. Any bill that makes it to the floor of the Senate will be about 1,000 pages long, cost about a trillion dollars, affect about one-sixth of the entire U.S. economy, and impact the health care of every single American, whether they like it or not.

And here is the other thing we know: Democrats don't want to give the American people the time they need to review all the details. We saw this last week when they rejected a request for a simple 72-hour review, which is hard for anyone who grasps the scope of this legislation to understand. Nor would they pledge to wait until we understand the full cost of this bill, before acting on it.

There is important work going on in the Finance Committee this week, but no one should lose sight of where the work is headed. What we know for sure is higher taxes when American families and businesses are struggling just to make ends meet, cuts to seniors' Medicare when the program is already going bankrupt, more spending and more debt when we are about to end the fis-

cal year just today with an annual deficit roughly equivalent to the deficits of the last 5 years combined—the deficit this fiscal year, ending today, will be roughly as much as the last 5 years combined—and a government intrusion into health care of every single American at a time when Americans are asking us to lower costs and lower premiums, not add new burdens to the system or wreck the care they already have and like.

We know the essentials of the health care bill already. Americans have every reason to be concerned.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to a period of morning business for 1 hour, with Senators permitted to speak for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the Republicans controlling the first half and the majority controlling the final half.

The Senator from Tennessee is recognized.

HEALTH CARE REFORM

Mr. ALEXANDER. I wonder, before the Republican leader leaves, if I could ask him a quick question? I ask unanimous consent that Senators BARRASSO, MCCAIN, and BENNETT, and the Republican leader, be permitted to engage in a colloquy during our 30 minutes and that I be notified when we have about 4 minutes left.

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

Mr. ALEXANDER. I ask the Senator from Kentucky, the Republican leader, is it not true that the Finance Committee Democrats voted down a Republican proposal to put the health care reform bill on the Internet for 72 hours so Americans could read it?

Mr. MCCONNELL. I would say to my friend from Tennessee that is absolutely correct.

Mr. ALEXANDER. I believe the Republican leader said the bill might be 2,000 pages long?

Mr. MCCONNELL. Certainly, well above 1,000 and probably 2,000.

Mr. ALEXANDER. If I am not mistaken, there are several versions of the bill in the House of Representatives that will come over here. Then there is a version that we did in the Health Committee here that will have to be integrated with that bill; is that not correct?

Mr. MCCONNELL. It is my understanding it is the intention of the majority leader and the administration to

merge the bill that came out of the Health Committee on which the Senator from Tennessee serves and the bill that is in the Finance Committee now.

Mr. ALEXANDER. It is my understanding in the Finance Committee they are not even writing a bill yet; they are just working on concepts?

Mr. MCCONNELL. Apparently, the Finance Committee will actually go to a final vote on a concept paper, not an actual bill—which I think will inevitably produce a dilemma for the Congressional Budget Office in trying to assess the cost of a concept bill. Then, apparently, they will turn that into a bill, and then the Congressional Budget Office will have to score, once again, the final bill, and the number there may be different from the number of the concept paper.

Mr. ALEXANDER. How long do you suppose it would take, once the two bills are put together, for the Congressional Budget Office to tell us how much it costs?

Mr. MCCONNELL. I would think for an accurate score we would have to ask them. What a challenge that will be. But I assume it will take a while.

Mr. ALEXANDER. Well, I thank the Republican leader. In our discussion today, I see the Senator from Wyoming is here, it is almost embarrassing to say that—I mean, to people outside Washington, and maybe even to people inside Washington, the idea that we would not take 72 hours to read a 2,000-page bill that spends \$1 trillion or \$1.5 trillion that affects virtually every American and that may have a lot of unresolved questions in it.

It is hard to imagine people would not think that was common sense, that we ought to read it before we vote on it.

Mr. MCCONNELL. I think we can add, the American people, I think correctly, could only assume there is some effort to try to hide the true impact of this rush effort to reorganize one-sixth of our economy, a \$1 trillion bill, well over 1,000 pages that nobody has taken the time to read. It is not even produced in final bill language.

The American people begin to get the drift that this is a process that is going to, I think, enrage them. It enrages them already. I think the rage about it is only going to escalate in the coming weeks.

Mr. ALEXANDER. I thank the Republican leader for his time. I would think every civics class in America, if the teacher would give a test, would say: Should an elected representative read a bill before he or she voted on it? Yes.

Should he or she know how much it costs? Yes.

Even the President has said we cannot have a deficit. Well, how are we going to know if it creates a deficit if we do not read the bill and if the non-partisan Congressional Budget Office has not told us how much it costs?

I thank the Republican leader. The Republican leader mentioned there

may be some questions we would want to know. There are some.

Governors across the country may want to know how much it is going to cost them and their budgets because, the other day, the chairman of the National Governors Association and the Republican Governors Association held a joint press conference and they said this: If you are going to expand Medicaid in our States, if the Federal Government is going to do it, the Federal Government ought to pay for it.

Medicaid is the largest government-operated health care program we have in the country. About 55 or 60 million Americans are there. The Federal Government pays about 60 percent of it and the State governments pay about 40 percent.

I noticed two articles in the newspaper. I ask unanimous consent to have these articles printed in the RECORD.

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

[From the New York Times, Sept. 29, 2009]

MAJORITY LEADER PROTECTS HOME STATE

(By Robert Pear)

WASHINGTON.—The Senate majority leader, Harry Reid of Nevada, has secured a special deal protecting his state against the costs of expanding Medicaid under one of the major health care bills moving through Congress.

Mr. Reid, a Democrat, complained about the impact on Nevada when the chairman of the Senate Finance Committee, Max Baucus, Democrat of Montana, unveiled his bill on Sept. 16.

Now Mr. Baucus has modified the bill to spare Nevada and three other states, and Mr. Reid, who faces a potentially difficult race for re-election next year, is taking credit for getting a “major increase” in federal money for his state.

The Senate bill, like a companion measure in the House, would expand Medicaid to cover childless adults, parents and other people with incomes less than 133 percent of the poverty level, or \$29,327 for a family of four. The federal government would pay most of the new costs—anywhere from 77 percent to 95 percent, with a higher share in poorer states, in the first five years.

Under Mr. Baucus’s original proposal, the federal government would have paid 87 percent of the new costs in Nevada. Under the modified version, the federal government would pay 100 percent of the new costs for the first five years. Severe financial problems have prompted Nevada and other states to cut spending and furlough workers, and some states have even considered releasing prison inmates to save money.

There is no guarantee that the provision will be retained as the legislation moves through Congress. Many other lawmakers are trying to influence its particulars to favor their states, but few have the power of the majority leader to get their way.

Mr. Baucus revised his bill to give extra help to certain “high-need states.” The states were not named in the bill. But only four states meet the criteria: Michigan, Nevada, Oregon and Rhode Island.

The changes came at the expense of other states, including California, Florida and Illinois, which would see significant increases in state Medicaid spending under the new formula.

The Finance Committee resumes work on the legislation Tuesday, with some of the biggest fights still to come.

Many states worry that the expansion of Medicaid could saddle them with long-term financial obligations.

Representative Nathan Deal of Georgia, the senior Republican on the House Energy and Commerce Subcommittee on Health, said Mr. Reid “appeared to be playing politics to favor Nevada over other states.”

“Senator Reid should know that this legislation is not only bad for Nevada, but it is bad for the rest of the United States,” Mr. Deal said.

James P. Manley, a spokesman for Mr. Reid, brushed aside the criticism.

“Senator Reid makes no apologies for fighting for federal money for his constituents,” Mr. Manley said. “Under Republican governors, Nevada has consistently underfunded programs such as Medicaid.”

Mr. Baucus said other provisions of the bill would help all states—for example, by reducing what they spend on prescription drugs for Medicaid recipients and on the Children’s Health Insurance Program.

About 220,000 people are on Medicaid in Nevada, and Charles Duarte, the state Medicaid director, said Monday that enrollment could double under the legislation being considered by Congress.

Many parents and childless adults would qualify for Medicaid for the first time, Mr. Duarte said. And many people who are eligible but not enrolled would sign up for Medicaid because, under the legislation, they could be required to pay financial penalties if they did not have insurance.

The Finance Committee has rejected several Republican amendments that would have blocked the expansion of Medicaid if it was found to impose additional costs on states.

“We have got to protect the states from the impact of one more federal mandate at a time when states are in dire circumstances financially,” said Senator Michael D. Crapo, Republican of Idaho.

But Senator Kent Conrad, Democrat of North Dakota, said states must share the cost of covering the uninsured.

“We are going to have a real hard time dealing with this problem,” Mr. Conrad said, “if it is all supposed to be on the federal government, which has record deficits and record debt, and if the states just expect the federal government to write a check for 100 percent of everything.”

All the major health care bills moving through Congress would expand Medicaid, adding perhaps 11 million people to the rolls, the Congressional Budget Office says.

The Democratic staff of the Finance Committee estimates that, under existing law, state spending on Medicaid will total \$1.7 trillion from 2013 to 2019. That figure could increase by \$33 billion under Mr. Baucus’s bill. But when the new costs are combined with savings elsewhere in the bill, Democrats say, state spending would increase by only \$22 billion, or 1.3 percent, over the levels now projected.

A few states, like Arkansas, Colorado, Maryland and Virginia, could see increases of 4 percent or more, according to the data.

Maine and Vermont have led the way in expanding Medicaid. But Senator Olympia J. Snowe, Republican of Maine, said that after talking with the governors of those states, she had concerns about the burdens that would be placed on states under the bill.

[From the Wall Street Journal, Sept. 29, 2009]

STATES’ QUARTERLY TAX REVENUE PLUNGES 17%

(By Conor Dougherty)

State tax revenue in the second quarter plunged 17% from a year earlier as rising unemployment and falling consumption

dragged down sales- and income-tax collections, according to Census figures released Tuesday.

It was the sharpest decline since at least the 1960s. The biggest drop was in state income taxes, which were down 28% in the second quarter from a year earlier. Corporate income taxes, which tend to be volatile, increased 3%.

The numbers aren't adjusted for inflation or tax-rate changes.

The steep declines show how the recession continues to cripple state finances, despite support from the stimulus package and signs of a nascent recovery in economic activity. Falling revenue, combined with growing demand for social programs like food stamps or Medicaid, forced states to slash spending and scramble to raise revenue through measures from new taxes to slot machines and pricier fishing licenses.

"This brings really bad news for almost every single state and leaves them with an unprecedented budget crisis," said Lucy Dadayan, a senior policy analyst with the Nelson A. Rockefeller Institute of Government at the State University of New York.

States—which, unlike the federal government, are generally required to balance their budgets—have already responded to revenue declines with employee furloughs and higher taxes and fees. But with tax collections continuing to decline, many have been forced to reopen budgets midsession to push through even more drastic cuts to staffing and services. In Michigan, stalled budget negotiations between the governor and the legislature could force the state to shut down if a deal isn't reached by Wednesday at midnight local time.

With lower-than-expected revenue, the governor of Massachusetts cut that state's budget four times over the fiscal year that ended in June, including drawing down reserves from a rainy-day fund and eliminating unfilled jobs. With revenue still weaker than expected, the state may be forced to reopen the budget as early as next month, said a spokesman for the Executive Office for Administration and Finance.

Without a budget, Michigan state employees wouldn't report to work, and the governor would likely have to take emergency steps to keep essential services such as hospitals and prisons operating. "We remain optimistic that we will have a budget in place because everyone wants to avoid a shutdown," says Liz Boyd, a representative for Gov. Jennifer Granholm.

Some of the sharpest tax declines were in states that have been among the hardest-hit by the recession, in particular those with high concentrations of jobs in the battered housing sector. In Arizona, overall tax revenue fell 27% in the second quarter from a year ago. Tax revenue fell 12% in Florida and 14% in California.

States across the country saw drastic declines in personal income taxes, the largest source of state funding, representing about one-third of states' overall revenue. The largest decline was in New Mexico, where income taxes fell 59%. In 11 states—including California, New York and Wisconsin—personal income taxes fell more than 30%.

Mr. ALEXANDER. One is from the Wall Street Journal: State quarterly tax revenues plunge 17 percent. Talking about how budgets in California, Florida, other States are going down.

Then there is another article, September 29—actually these both appeared yesterday—in the New York Times entitled "Majority Leader Protects Home State."

Well, the majority leader, Senator REID, has done exactly what all the

Governors hope would be done. He has said: If the Federal Government is going to expand Medicaid in my State, the Federal Government is going to pay for it.

But, I would say to the Senator from Wyoming, I wonder how citizens in Wyoming and California and Florida and other States will feel if they pay more in taxes so Nevadans can pay less in taxes? Is that not the kind of question Senators from virtually every State might want to be sure about by reading the bill and knowing what it costs before it comes to the floor?

Mr. BARRASSO. It seems to me the people of Wyoming have those very concerns, as does the Governor of Wyoming.

I served in the Wyoming State Senate for 5 years, and we know that one of the largest budgets is Medicaid, the aid we give to people in need of health care. But it is almost the same as what we are paying for K-12 education. In Wyoming, we sure do not want to pay for what is happening in the majority leader's home State.

I was home yesterday. Yesterday morning, getting on the plane to come back from Wyoming—I go home every weekend. I was at the Wyoming football game, where we won, we beat the University of Nevada Las Vegas, the leader's home State. That was another great day for Wyoming football.

But when you go to a game like that in Wyoming, a lot of people come up to you and ask you questions. One of the questions that came up this past weekend was: Have you read the bill? What is in it? What is it going to cost? People of Wyoming say: Am I going to be able to read it? How do I read the bill? Is it going to be on the Internet? Will I be able to see it?

To try to explain: There is no bill. There is this concept paper. I have it here. It is called the chairman's mark. It is the concept paper of 220 pages. You look at this, this is not even in legislative language yet. So you are going to be asked to vote on legislation, not just a concept paper.

Mr. ALEXANDER. I think the Senator from Wyoming is making an awfully good point. He is a distinguished orthopedic surgeon, a doctor, one of two physicians in the Senate. Both of them happen to be on the Republican side of the aisle at this time, Senator COBURN, and I know, Dr. BARRASSO, since we are talking about Medicaid, which is a program that every State has that serves low-income people, that States pay typically roughly 40 percent for, one of the questions somebody might have who reads the bill is: How many more low-income people are going to be added to that bill?

Because it is my understanding that Medicaid reimburses physicians at such a low rate, that about 40 percent of physicians will not see Medicaid patients. So by dumping more low-income Americans into Medicaid, we are dumping them into a program where they have 40 percent of a chance of not

seeing the doctor or getting the services they want to have. Have you had any experience with that?

Mr. BARRASSO. Absolutely. In my practice for 25 years in Casper, WY, I took care of a lot of people on Medicaid. I took care of anybody who needed to see me.

But you are right. Across the board, there are many people on Medicaid who do not—are not able to see a doctor. The number you quoted is exactly the one I have.

I have an article that I ask unanimous consent to have printed in the RECORD.

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

[From the Wall Street Journal, Sept. 27, 2009]

MAX'S MAD MANDATE

The more we inspect Max Baucus's health-care bill, the worse it looks. Today's howler: One reason it allegedly "pays for itself" over 10 years is because it would break all 50 state budgets by permanently expanding Medicaid, the joint state-federal program for the poor.

Democrats want to use Medicaid to cover everyone up to at least 133% of the federal poverty level, or about \$30,000 for a family of four. Starting in 2014, Mr. Baucus plans to spend \$287 billion through 2019—or about one-third of ObamaCare's total spending—to add some 11 million new people to the Medicaid rolls.

About 59 million people are on Medicaid today—which means that a decade from now about a quarter of the total population would be on a program originally sold as help for low-income women, children and the disabled. State budgets would explode—by \$37 billion, according to the Congressional Budget Office—because they would no longer be allowed to set eligibility in line with their own decisions about taxes and spending. This is the mother—and father and crazy uncle—of unfunded mandates.

This burden would arrive on the heels of an unprecedented state fiscal crisis. As of this month, some 48 states had shortfalls in their 2010 budgets totaling \$168 billion—or 24% of total state budgets. The left-wing Center for Budget and Policy Priorities expects total state deficits in 2011 to rise to \$180 billion. And this is counting the \$87 billion Medicaid bailout in this year's stimulus bill.

While falling revenues are in part to blame, Medicaid is a main culprit, even before caseloads began to surge as joblessness rose. The National Association of State Budget Officers notes that Medicaid spending is on average the second largest component in state budgets at 20.7%—exceeded only slightly by K-12 education (20.9%) and blowing out state universities (10.3%), transportation (8.1%) and prisons (3.4%).

In some states it is far higher—39% in Ohio, 27% in Massachusetts, 25% in Michigan, Rhode Island and Pennsylvania. Forcing states to spend more will crowd out other priorities or result in a wave of tax increases, or both, even as Congress also makes major tax hikes inevitable at the national level.

The National Governors Association is furious about Mr. Baucus's Medicaid expansion, and rightly so, given that governors and their legislatures will get stuck with the bill while losing the leeway to manage or reform their budget-busters. NGA President Jim Douglas of Vermont recently said at the National Press Club that the Baucus plan poses a "tremendous financial liability" and doesn't "respect that no one size fits all at

the state level." He added: "Unlike the federal government, states can't print money."

Mr. Baucus hopes to use his printing press to bribe the governors, at least for a time. Currently, the federal government pays about 57 cents out of every dollar the states spend on Medicaid, though the "matching rate" ranges as high as 76% in some states. That would rise to 95%—but only for five years. After that, who knows? It all depends on which budget Congress ends up ruining. Either the states will be slammed, or Washington will extend these extra payments into perpetuity—despite the fact that CBO expects purely federal spending on Medicaid to consume 5% of GDP by 2035 under current law.

As for the poor uninsured, they'll be shunted off into what Democratic backbencher Ron Wyden calls a "caste system." While some people will be eligible for subsidized private health insurance, everyone in the lowest income bracket will be forced into Medicaid, the country's worst insurance program by a long shot. States try to control spending by restricting access to prescription drugs and specialists. About 40% of U.S. physicians won't accept Medicaid at all.

Why? One reason is that Medicaid's price controls are even tighter than Medicare's, which in turn are substantially below private payers. In 2009 or 2010, 29 states will have either reduced or frozen their reimbursement rates to providers. Democrats love Medicaid because it is much cheaper than subsidizing private insurance, but that is true only because of this antimarket brute force. Of course, such coercion will be extended to the rest of the health market under ObamaCare.

The states aren't entirely victims here. Both Republican and Democratic state houses regularly game the Medicaid funding formula—which itself is designed to reward higher spending—to steal more money from national taxpayers. Then when tax collections fall during downturns, budget gaskets blow all over the place. This dynamic helps explain the spectacular budget catastrophes in New York and California. We'd prefer a policy of block grants, which would extricate Washington from state accounting and encourage Governors to spend more responsibly.

That's not going to happen any time soon, but the least Mr. Baucus can do is not make things worse. Instead, his Medicaid expansion is a disaster on every level—like the rest of ObamaCare.

Mr. BARRASSO. This as also from the Wall Street Journal from September 27, called: "Max's Mad Mandate." The first paragraph says: One reason this Finance Committee bill allegedly pays for itself is because it will break all 50 State budgets by permanently expanding Medicaid.

It says: They are going to expand Medicaid. The Senator was a Governor. The Senator had to deal with this in Tennessee: Using Medicare to cover everyone up to at least 133 percent of the Federal poverty level, that will add some 11 million new people to the Medicaid rolls, which is not going to help, if currently, as the article goes on, about 40 percent of U.S. physicians will not accept Medicaid at all.

Mr. ALEXANDER. I have thought for some time that any Senator who votes to expand Medicaid in the States without paying for it at the Federal level ought to be sentenced to go home and serve as Governor for 8 years and try to

pay for it and raise the taxes and deal with the people who cannot do that.

But that is the kind of question I think a Governor would want: Read the bill and know what it costs. For example, I believe there is a question about the Finance Committee, in its concept papers, may say: Well, we will pay for it for 5 years—or we will pay 77 to 95 percent of it.

The Governors are saying—now these are Democratic Governors as well as Republicans—they are all saying to us: Do not do that to us. Our revenues are down 17 percent, 18 percent, 20, 35 percent in some of our States. If you are going to pass it, pay for it. That is a question governors should have a chance to ask and get an answer for. That is why we need to read the bill.

Mr. BARRASSO. That is why the National Governors Association is furious with this huge expansion of Medicaid. It quotes the Governor of Vermont, who says: Unlike the Federal Government, States cannot print money. Many of us, such as Wyoming, live within our budgets. We live within our means. We balance the budget every year. For Washington, in its effort to take over health care in the country, to force the States to pay for it, in what is, to me, a trickery or a financial gimmick, to say they can make the books balance, is not a favor to the American people.

That is why people at home ask me every weekend: Can I read the bill? Have you read the bill? Can I read the bill? What is it going to cost? It ultimately gets down to people are very worried about a government takeover, very worried that at a time we are spending all this money as a nation, against my wishes, another trillion dollars for kind of an experiment that is going to fund a lot of it through Medicare. We have not even gotten into the discussion of Medicaid.

Mr. ALEXANDER. Let's talk about Medicare because many people, unless they follow health care every day, confuse Medicaid, which is the program for low-income Americans that States help administer—there are about 55 or 60 million Americans in that program—and Medicare, which is the program that about 40 million seniors have.

We have had a lot of talk about Medicare. The President says: There are no Medicare cuts. Then, on the other hand, he said: We are going to take up to \$½ trillion out of Medicare and spend it on a new program.

We are saying: You are going to cut one-quarter of the Medicare beneficiaries' Medicare Advantage payments. The other side is saying: No, that is not what we are doing. We are saying: How can you cut Medicare and spend it on another program when Medicare is going broke?

Well, I would think the American people would want to know the answer to those questions, and we should know the answer before we vote. Is that not another reason we should read the bill to find out who is telling the truth about Medicare?

Mr. BARRASSO. It is the reason that, No. 1, we should read the bill. It is the reason we should make sure the people all across the country have a chance to read the bill. The people of Wyoming want to read the bill. It is the reason we need some time for those people from all our home districts to get back to us.

As I say, all around Wyoming, the wisdom does not come from Washington, the wisdom comes from America, from your State and my State and the other States. I want those people to be able to read the bill, come up with better ideas or suggestions, and a lot of times folks at home will see what I call unintended consequences, something that is in the bill that you say: Well, I had not thought about that.

We have the hospitals across Wyoming, those people want to read it. The doctors, the nurses, the physicians assistants, and the patients, the people who are mostly going to be affected by this, they want to know what is in the bill, which is why I say that is the reason to put it on the Internet. People can read it ahead of time and then let them have time to comment back to us.

Mr. ALEXANDER. I see the Senator from Utah has come. Let me ask one more question to Dr. BARRASSO. Because we are told—and here is another reason to put the bill on the Internet for 72 hours and to wait a couple weeks or whatever it takes for the Congressional Budget Office to tell us how much it costs, because the President has said: There cannot be one dime added to the deficit, which we agree with.

In fact, we think the whole goal of this ought to be to reduce the cost of health care to you and then to your government but not one dime to the deficit.

But one of the assumptions of the bill coming through the Finance Committee has to do with what we elegantly call in the Senate the "doc fix," the fact that basically the government sets what doctors will be paid when they see a Medicare patient. What we do every year is change what is in the formula because it cuts the physicians.

So is not the assumption that we are going to continue to cut what we pay physicians, and if we come along and change that in the second year, will not we then be adding to the deficit?

Mr. BARRASSO. Well, you will be adding to the deficit. That is why seniors all across this country have great concerns about what is being proposed.

I am saying: Who is opposed to this? The No. 1 group is seniors, by 2 to 1. Seniors are opposed to what is happening because they know this is going to be paid for out of their own Medicare.

Just 10 or 15 minutes ago, we heard the majority leader on the floor of this Senate say—and I wrote it down. He said, talking about his plan, he said: If you like what you have, you can keep it. That is what he said.

But you and I both know there are 11 million Americans, seniors in this country, on Medicare Advantage, which is a program set to help people in cities and people in rural communities. They have both in Tennessee. We sure have the rural communities in Wyoming.

It says they cannot keep that if they like it—or 11 million, it is double the number on it in the last couple years because it is so popular, because it actually does what Medicare itself does not do, works with prevention, works with coordinated care. That is what our seniors want. That is why seniors across the country are so opposed to this.

Mr. ALEXANDER. I see the Senators from Utah and Arizona have come to the floor. We were talking, Senator BARRASSO and I, about how well the majority leader has done in helping to do what all of us would like to do in his home State.

He has noticed, I guess he has heard from his Governor, that the Finance Committee is saying we are going to expand Medicaid in the State, but the States are going to help pay for it. The majority leader has put something in the bill so Nevada does not have to pay for it.

I notice—to Senator MCCAIN—according to the New York Times, in Arizona overall tax revenues fell 27 percent in the second quarter of this year from a year ago.

I wonder how Arizonans are going to feel about paying for Nevada's Medicaid.

Mr. MCCAIN. I find it entertaining when our constituents ask: Have you read the bill? Of course we haven't been able to because there is no bill. If I could just quote what happened here. This says:

The Chairman's Mark will provide additional assistance that would be made available to high-needs states which are defined as states that (1) have total Medicaid enrollment that is below the national average for Medicaid enrollment as a percentage of state population as of the date of enactment . . .

It goes on and on for a few more sentences. What does it mean? It means they got a special deal for four States, one of them being the State of Nevada. Who pays? Who pays? The other States. So we have a complaint by the distinguished majority leader that his State of Nevada would have to pay an amount that they don't appreciate, so we shifted it so that three other States—I am sure my friend from Tennessee knows which ones. I believe one of them is Oregon. I am not sure what the other three are.

Mr. ALEXANDER. Michigan, Rhode Island, and Oregon are the three others.

Mr. MCCAIN. So our constituents who don't happen to live in those fortunate four are now going to pay additional funds because we put in the chairman's mark. Everybody wonders why people are so mad. They wonder why is it that there are these tea par-

ties, why is it that there are people marching on Washington, what are they mad about? I hear the pundits and those who very seldom go outside the beltway or outside Manhattan say they are a bunch of crazies. It is this kind of thing. It is this kind of thing. We are going to do a legislative appropriations bill here that has \$500,000 in it so that Senators can send out postcards to announce townhall meetings. Has anybody had any trouble getting people to townhall meetings? We need to spend \$500,000 additional to notify people?

Getting back to the point of the Senator from Tennessee, this is what is wrong. This is what is wrong with the way we do business. We cut special favors for special States, not based on need or requirements but on the influence of the individual Senator or Member of Congress. That is what they are mad about.

May I mention one other thing to my friend from Tennessee. Yesterday, there was a big vote in the Finance Committee that dominated the headlines. The so-called public option was voted down by a significant margin. And we hear rumors that finally the administration will come up with a proposal. Doesn't that mean the goal will be basically to get any bill through both the House and Senate and then go into conference behind closed doors and rewrite the bill? That is my greatest fear.

Mr. ALEXANDER. That is my fear. The danger is that they will put the bills together from these various committees and ram it through, and then we won't be able to ask the questions: Is my State going to pay more taxes for Medicaid? Is my Medicare benefit going to be cut, or is the national debt going to increase? These are important questions we have a right to know the answers to before we begin the vote on the bill.

I ask the Senator from Utah, what does he see coming down the pike?

Mr. BENNETT. Mr. President, I have said repeatedly that I would vote against my own bill, even if it were to pass the Senate unanimously, unless there were an ironclad guarantee—iron is not strong enough; carved in marble guarantee—from the President that he would veto a conference report that came back that did not have the kinds of protections I think my bill has.

I agree completely with the Senator from Arizona. The big fear is that we craft something in the Senate that is reasonable and then submit it to a conference and it comes back in a conference report that is not amendable and gets passed by a majority vote here and we are stuck with it.

As important as it is that we try to get the Senate bill right, we must recognize that there are two Houses of Congress. At the moment, the other body is not showing the degree of analysis we are trying to get going here in the Senate. The House bill is completely unacceptable.

If I could pick up on the comment about the consequences of what is

being done with respect to Medicaid, I will add the experience from the State of Utah to the experience that has been referred to for other States.

In Utah, an expansion of Medicaid, as outlined in the Finance Committee bill, would mean anywhere from an additional \$150 million to \$248 million to Utah taxpayers. I realize that in a State such as California that is multiple billions of dollars in debt, an extra \$150 million to an extra quarter of a billion is not a lot of money. But in Utah, it is a significant amount. We need to pay attention to the fact that every State is facing those kinds of significant increases.

I call the attention of the Senate to an analysis that is in today's Congressional Quarterly, dated September 30, talking about the bill as it is moving through the Finance Committee. I quote:

Under current law, taxpayers can deduct expenses that exceed 7.5 percent of their adjusted gross income. Under the Baucus original proposal, that floor would have been raised to 10 percent, starting in 2013.

Then further:

According to data from the Joint Committee on Taxation, 45 percent of the taxpayers affected and 53 percent of the revenue from the change would come from people 65 and over.

So for those who are asking—and we read about them in the paper all the time—why are the elderly upset, they have Medicare? The elderly are smarter than that, and they recognize that 53 percent of the increase that would come as a result of these proposed changes would come from them.

Mr. ALEXANDER. Would the Senator not agree that therefore older Americans who depend on Medicare might especially want to read the bill?

Mr. BENNETT. They certainly are going to want us to read the bill and be honest with them as to what is in it. They are going to want us to go into the managers' package, into the small details that usually are considered technical and get passed over, and be very specific in saying to our constituents: We know what is in the bill, and we are being very upfront with you in telling you what is in the bill.

One of the things we need to be upfront about is the amount of increase this will cost seniors and the amount of impact it will have on States. States will then have to turn around and raise their taxes, and seniors will pay twice, with the increase at the Federal level and the increase at the State level.

Mr. ALEXANDER. The Senator from Wyoming was home last weekend. I wonder if he is hearing especially from senior Americans who worry about the effect of this bill on Medicare.

Mr. BARRASSO. I heard that in Wyoming this past weekend. People who depend upon Medicare are rightly suspicious, very suspicious about this program. As they try to learn more about it, what they learn is that it is going to cut Medicare. They are learning it is going to increase taxes. They are learning it will limit what they have in terms of choices for their health care.

For all Americans, if you ask: What do you think, is this going to cost more or less, they think it is going to cost more. When I ask people at townhall meetings: Do you think you will have better or worse care, the show of hands is that they will have worse care. Americans don't want to pay more and get less. People want value for their money.

People who depend on Medicare are rightly more suspicious than other folks because of the impact this is going to have on them. They understand \$500 billion is going to be cut from their health care.

Mr. ALEXANDER. We have 4 minutes left. I believe I will wrap up and leave the last minute to the Senator from Utah. Our point is a pretty simple one. We believe, we Republicans, that after this bill is put together, we ought to have ample time to read it, that it ought to be on the Internet for 72 hours, and that we ought to hear from the nonpartisan Congressional Budget Office how much it costs. Why would we do that? Because we have differences of opinion over whether it hurts people on Medicare, over whether States will have to raise taxes in order to pay for Medicaid, over whether the assumptions made will actually add to the debt, over how large taxes are on small businesses. We have differences of opinion. The only way we can intelligently debate those is if we can read the bill and know what it costs.

On the Republican side, we believe we should focus on reducing costs and go step by step to re-earn the trust of the American people by fixing health care in that way, starting with such ideas as permitting small businesses to pool their resources in order to offer insurance to a larger number of people. Another way to reduce cost would be to find ways to eliminate junk lawsuits against doctors.

The Senator from Utah may have other thoughts about the importance of reading the bill.

Mr. BENNETT. Mr. President, I will make this comment with respect to the remarks of the Senator from Tennessee with reference to the CBO. We need hard numbers, but we do have a preliminary understanding already.

The Director of the CBO, Mr. Elmen-dorf, was asked if it is true that the fees established in the bill would ultimately be passed on down to the health care consumer, and his response:

Our judgment is that the piece of legislation would raise insurance premiums.

If we go more deeply into the CBO analysis, we find that not only would premiums in the individual market be higher than under the proposed reform, but taxes on insurers and drugs and devices would be passed on to consumers in the form of higher premiums. Finally, CBO also says that the premiums would be extremely high even after the proposed reforms because taxpayers would be subsidizing expensive plans. We clearly need the kind of careful analysis that clothes these com-

ments with actual numbers. Without those, how can we vote with any kind of clarity on the proposal before us.

Mr. ALEXANDER. I thank the Senator from Utah and yield the floor.

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

HEALTH CARE REFORM

Mr. DURBIN. Mr. President, I would like to debate the Republican plan for reforming health care. I would like to see the Republican plan for reforming health care. I would like to know what they stand for when it comes to reforming health care. They have been given adequate opportunity—

Mr. ALEXANDER. Will the Democratic leader yield?

Mr. DURBIN. Regular order, please.

The ACTING PRESIDENT pro tempore. The Senator from Illinois has the floor.

Mr. ALEXANDER. He asked me what our plan is. I would be glad to tell him.

Mr. DURBIN. Mr. President, they have been given ample opportunity, to the point where they offered 160 amendments which were adopted in the HELP Committee when we were debating the bill, 160 Republican amendments. So they brought in their ideas, we put them in the bill, and then when the bill came up for final passage, not one Republican would vote for it. Over and over again, all they can do is criticize. They are just upset with the idea of changing the health care system.

I am particularly amused with the defense of Medicare by Republicans. This is a historic change for a party that used to call it socialized medicine, a party that said: Keep the government out of health care, when we created Medicare. Now they are coming to the defense of Medicare. The reason they are is because 45 million Americans count on Medicare every single day; 45 million seniors know that without Medicare, their family savings would be in danger if they had a catastrophic illness after they have reached retirement; 45 million Americans who know the fact that for the last 40 years we have improved the longevity, the life expectancy of seniors because of Medicare.

Let me tell the Senate what their real agenda is. When Republicans come here and talk about Medicare, it is all about health insurance companies. It is all about the health insurance companies that are turning down Americans when they want to have their basic coverage for medical care. It is all about health insurance companies that continue to raise the cost of their product and exclude people from coverage. It is all about health insurance companies that are seeing some of the greatest profits on Wall Street.

So how do you link up these two, Medicare and health insurance companies? In a program called Medicare Advantage. Pay close attention to this program. Here is what the health in-

surance companies said to the Republicans several years ago. They said: The government doesn't know how to run health care. The government doesn't know how to run Medicare. We, the private health insurance companies, will show you how to do this. Let us offer Medicare benefits. We will call it Medicare Advantage and let the people decide, let seniors decide if they want to buy the private health insurance plan for Medicare or if they want to stay in the traditional government-administered Medicare.

About one out of four seniors decided to buy into the private health insurance plans for Medicare called Medicare Advantage. In fact, across America, more than 10 million Americans have enrolled in Medicare Advantage. Since 2003, the number of Medicare beneficiaries enrolled in private plans has nearly doubled, from 5.3 million to the 10.2 million I mentioned earlier. It is higher in urban areas than it is in rural areas, higher in some parts of the country than in others.

How did the experiment work? How did it work when the health insurance companies said: We can do it better than the government when it comes to Medicare? They failed. Not by my estimation, by MedPAC, a group that has stepped back and has said: Well, the premiums they are charging per Medicare recipient are higher than what people would be paying under Medicare—14 percent higher.

So these private health insurance companies have a sweet deal: 10 million Americans buying their private health plans instead of traditional Medicare, and they are overcharging them by 14 percent. Who pays the 14 percent? All the rest of Medicare recipients. The money is taken out of the Medicare Program. It means Medicare solvency is challenged because private health insurance companies have failed under Medicare Advantage.

President Obama and Members of Congress have said: This subsidy to private health insurance companies to try to offer Medicare at a lower cost, which has failed, has to come to an end. If it comes to an end, what is it worth over 10 years? It is \$180 billion. So when we say we are taking \$180 billion in savings in Medicare, we are closing down the failed experiment by private health insurance companies to offer Medicare as a private health insurance plan.

The Republicans are coming and complaining: Oh, they are taking money out of Medicare. Yes, we are. We are taking the subsidies to the private health insurance companies out of Medicare. So their complaints are basically complaints in defense of private health insurance companies. They can make all the case they want about private health insurance companies. I will take the case to the American people that private health insurance companies need to treat Americans a heck of a lot better than they are right now.