

new techniques and technologies that enhance the care of seniors. And, I will also say, for other Americans. So all of us, as a major part of the program, but specifically for seniors. And it would roll on. Proven, clinically proven services, evidence-based services. And these kinds of things save costs. Again, the insurance companies are going to cry. The U.S. Chamber of Commerce is spending over \$100 million in this last month or two with advertising designed to kill the reform effort.

Ms. SCHAKOWSKY. Let's talk a little bit more about that, about why it is that the insurance industry would be against this bill. Because you could say, Well, 30 million more people are going to go into the insurance market. Why wouldn't they want more people?

Mr. GARAMENDI. Because they are greedy, profit-driven, profit-before-people-oriented companies.

Ms. SCHAKOWSKY. And also, they are able to pick right now.

Mr. GARAMENDI. Exactly.

Ms. SCHAKOWSKY. I want to talk a little bit about something else that stops right away. And that's what is perhaps the meanest of all the insurance company practices, and this is called rescission. Which in plain English means canceling your health insurance when you get sick.

We had testimony in our committee from a woman who had been a nurse most of her working life. She is now in her fifties. She left nursing to start another kind of career, went out in the private market and bought insurance that she could afford, thought it covered everything she needed. Then she was diagnosed with very aggressive breast cancer. She went to her insurance company. She got scheduled for the surgery. The Friday before the Monday of her surgery—her name is Robin Beaton. I will never forget her because we adjourned the committee for 5 minutes while she got herself together. And she said that on that Friday, they called her and said, I'm sorry. We went back in your medical records, and what we found is something on there that says that you had a preexisting condition. And do you know what it was? There were two things. One was acne that, of course, could lead to some sort of a cancer cell. They said that she had lied about that. She didn't even remember that.

Mr. GARAMENDI. She must have been a teenager at that time.

Ms. SCHAKOWSKY. And the other was that she had misstated her weight—understated her weight. Now I make a little joke, like what woman hasn't? You know, you have an accident, and people look at the driver's license and say, Who is this woman? She is not 120 pounds. Anyway. And so she was out of luck. She spent the next 9 months looking for health care. Finally—actually it was her Congressman who convinced the insurance company to do it. And by that time, the cancer had progressed and was in her lymph nodes. So she was much sicker.

That policy of rescission will end on day one.

I see that we've been joined by someone else, KEITH ELLISON, a Representative from Minnesota. I'm happy to turn it over to you. How time flies.

Mr. ELLISON. To my extreme embarrassment, we're out of time. Support health care. To the Congressman from California, thank you very much, Mr. GARAMENDI.

#### HEALTH CARE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from California (Mr. GARAMENDI) is recognized for 60 minutes.

Mr. GARAMENDI. Madam Speaker, we have several of my colleagues here to join us. We will just continue the discussion that we had before. I think I'll move to the other side so I will have the easel available to me. If Ms. JAN SCHAKOWSKY will come join us. Mr. ELLISON can carry on. I see Mr. TONKO is now in the Chair.

We've got things we want to talk about here. Let's just continue this discussion that we had a few moments ago. Our friend on the Republican side is either late or has decided it wasn't worth continuing to discuss their position. We were covering the Medicare issues here in some detail over the last hour, and some of that we want to continue and make sure that people understand what's happened in Medicare. We want to also talk about the rest of America, those that are not yet 65 or will not soon be 65. We'll go through those issues.

I want to just start off by laying out what's happening here in Congress. I'm a newbie. I haven't been around all that long, and I'm going, Wow, how's this all work? And as I've watched it, I've listened to what our Republican colleagues talk about, ramming through this legislation. And I'm going, gee, I was the Lieutenant Governor in California until November 5 when I was sworn in here. And as near as I can recall, this debate started 14 months ago.

It was the President standing right there in the Well here giving his State of the Union—it wasn't the State of the Union at the time. It was his first speech to the House. He said, We have got to reform the health care system. And immediately, this House and the Senate took up the issue, debated it. We all listened to that debate. All year long it went on and on and on and on and on and on. And it was my good fortune, following my November 3 election, to come back here, and on November 6, be one of the people that were able to put before Americans from this House, the Democratic version of health care reform. It was Christmas Eve that the Senate finished their work and put that out on a 60 vote—not a simple majority, but on a 60-vote bill.

So now you've got both Houses having completed their work and doing

what has been the tradition of Congress since the very inception of our government—more than 200 years—doing the conference work, putting together the House and the Senate versions and finding the compromise between the two of them. And the mechanism that's going to be used is a majority vote of both Houses—51 in the Senate and 216 I think it is now because some of our Members have retired—to pass an extraordinarily important piece of legislation. So the process is not jammed down anybody's throat. This has been debated more than most bills will ever be debated, and the debate actually goes back to the turn of the 20th century. It's been here for a long time. So we're moving, as we should, in a way of openness.

It was the President who had his health care summit for 7 hours on television. That has never happened before. Discussing all the issues. Republican ideas, many of which are going to be in the final rescission vote that we'll take up this week. So this is not ramming anything through. This is a very deliberative process. It's gone on for a long time.

So I want the public to understand that. I want them to understand that as somebody that watched it from the outside and now somebody that's watching it from the inside, this is an extraordinarily open public debate that's gone on for 14 months this session, and this issue has been around for a long, long time—decades. So here we are. Let me call upon my colleagues. What's that sign behind you, Mr. ELLISON?

Mr. ELLISON. Well, what's behind me, if the gentleman will yield, is a simple sign which just talks about the 45,000 Americans who die every year because they are uninsured. You know, 45,000 people sounds like a big number, and the fact is that there are families, there are citizens, there are individual Americans behind every one of those numbers. There is a health care nightmare for every individual represented by each point of that 45,000.

□ 2000

And you know what? America is a good country. We are a compassionate country, and we are a country that will respond to the needs of Americans.

And so, Congressman GARAMENDI, I want to say that you may be a new Congressman, but you are a seasoned veteran at this fight because you've been working in the area of State government, and State government and local government is where the action is. You have just come straight from the land, right off the battlefield of the campaign, listening to people day after day about the suffering that people are going through, people being dropped by rescission.

You know, I actually had my own little health care nightmare recently, which I don't mind telling you about. I'm the proud father of a 22-year-old young man who is still in college. And

we recently got a letter from Blue Cross/Blue Shield telling us that on his 22nd birthday he was going to get a little present. Mr. Speaker, you might guess what that little present is. He's dropped from our insurance. This health care bill says he can stay until he is 26 years old, until he actually has a job. He's a senior in college. He doesn't have—he works at the library, putting books up, helping us get him through college. He's not ready to get out there yet.

So this 45,000 Americans losing their lives every year because of a lack of health care, that is something that we can do something about, we will do something about in a very short order.

And I want to yield back to the gentleman from California because I admire the work that you're doing. You're coming into this Congress with a bang. You're not waiting around for anybody to tell you, JOHN, get up and do something. You're getting up and you're taking charge, and that's the leadership we like.

I yield back.

Mr. GARAMENDI. I'm joined with three individuals that have done that throughout their entire career here. Mr. HOLT, I know you're going to have to go off to another meeting shortly, so you wanted to fill us in and carry on part of the conversation we were having early about the Medicare program.

Mr. HOLT. Well, I hear from so many seniors in my district. And of course, it is as we age that we become more aware of our ailments and our need for health care coverage, and so I understand their concern. I understand that they don't want anything that will leave them less secure. And I want to assure them that this legislation before us would not only leave Medicare intact under health care reform, the reform will make it better.

It would help the constituent of mine from Milltown, who wrote me recently about her struggles with the prescription drug program. She said, It was quite a surprise to me to see what the doughnut hole was all about. I'm on several inhaler drugs that are now running me \$650 for a 3-month refill. I was careful as a widow to save for my retirement. But this is going out the window very fast.

Closing that gap, filling in that cliff, where, after you've spend a certain amount you get no help from Medicare, ending that deficiency in Medicare will make people healthier. It is just one of the aspects that we wanted to underscore tonight, to assure people that if you are on Medicare, this legislation will help you.

And we will go on and talk about all of the other things. I mean, even if you are well insured, a lot of other people come up to me and say, my insurance is fine. My usual reply to them is, I'm pleased to hear that you've been healthy, because it is often when you're not healthy, when you have an accident, when you have an illness that you discover that your insurance

wasn't really quite as good as you thought it was, when, as Ms. SCHAKOWSKY pointed out, a rescission means, and this is a practice that, under oath, in testimony here before Congress, the insurance companies say they do, so it's not just hearsay. It's not just anecdote. It is policy in these companies. They will rescind your policy because you're sick, because there is expense incurred to them.

Now, most people would say, insurance is supposed to be there when you need it. That's kind of the definition of insurance. But not now.

But under this legislation, from day one, the practice of rescission stops, and a lot of other consumer protections go into place to make sure that consumers, those who pay premiums, who want insurance to cover them, will get coverage they deserve. They won't be denied for preexisting conditions. They won't be charged for preventive care and so forth.

So, whether you're young or whether you're as young as Mr. ELLISON's son, let's hope he has a good job and has health care coverage even before he's 26. But whether you're that young or whether you're on Medicare, this legislation provides benefits across the board.

Mr. GARAMENDI. Mr. HOLT, you raised a very, very important point, and I want to just follow up. And Ms. SCHAKOWSKY also raised this point, and it's the rescission issue.

Now, I was the insurance commissioner in California 2003 to 2007. And during that period of time, we received complaints about rescission, about people that had health insurance, had an illness and suddenly the insurance company canceled them.

And I'll tell you that we took action against the largest insurance companies, Wellpoint Anthem, that Blue Cross program in California, and others on this specific issue. And it is a very, very, real issue. I am so happy to be here in Congress and to vote on a bill that says no more, no how, will you be able, Mr. Insurance, to continue that very pernicious, very, very damaging and grossly unfair practice. Lawsuits have gone on. This bill will put a stop to that practice.

Let me just take one other thing. Mr. ELLISON had a chart: 45,000 die for lack of insurance. Yes, but there are other things here. America, because of the way in which we've structured our health insurance programs, we rank 19th among the industrialized nations of the world in preventing illnesses. And in the general health care statistics, we ranked below the country of Colombia on how healthy our population is.

We also know—and this is one that has really upset us as it came to all of our attention—I knew this in California, but now America knows, that over the last 2 years, in California alone, and in most other States, and I think in your State, 94 percent rate increase for individual policies. Ninety-

four percent. How in the world can they do that when health care inflation has been less than 10 percent? Well, they do it because they're more interested in their bottom line profits. And I think Mr. ELLISON's going to come to that in the next few moments.

In California, a study done by the State government, the six largest health insurance companies in California have denied 21 percent, this is the average, 21 percent of all claims. The range goes from 39 percent down to about 20 percent. So if you take the six largest companies, the number of times that they denied claims—you want to talk about a death panel, then you talk about the insurance companies that deny necessary treatment to keep people alive. That's what they're doing in California. One-fifth.

And, finally, the number of Californians, 24 percent of Californians, without insurance.

Ms. SCHAKOWSKY.

Ms. SCHAKOWSKY. Let's talk about rates for a minute. We had testimony from customers of Anthem Blue Cross/Blue Shield, which is owned by Wellpoint. We also had the CEO of Wellpoint, a woman named Angela Braley, who I suppose it was somewhat rude for me to ask her how much money she made. But she was kind enough to answer, and said that she made \$1.2 million a year, plus \$8 million in stock options. That was how well she did. But then she went on, of course, to absolutely justify these rate increases for their private insurance market.

Three people had testified before she got up there about what these rate increases meant to them. An individual, middle-aged guy, tended toward younger man, who had a preexisting condition. He had seen his rates go up about 75 percent, not quite the 90; but it was too much for him.

A woman who, because her son had a preexisting condition, had such a high deductible they had never even made their deductible, and yet their rates were going to go up even higher.

And another woman who had a preexisting condition, who was unable to keep her policy. And Ms. Braley is making all this money. The company, overall, was making literally billions of dollars in profit.

Mr. GARAMENDI. Mr. ELLISON, what's that thing behind you?

Mr. ELLISON. Well, what's behind me is just another little data point which we're trying to get Americans to see here, and Americans know this. Even if they don't know the number, they know it in their gut: Health insurers break profit records as 2.7 million Americans lose coverage. We should—that's worth saying again, I think, Mr. Speaker: Health insurers break record profits as 2.7 million Americans lose coverage.

As Congresswoman SCHAKOWSKY, from the great State of Illinois, illustrated just a moment ago, Americans are struggling. People have these high

deductibles. They're not even meeting them, and they're still getting rate increases.

Here's a stat for you that I don't have a board for: 60 percent of all the bankruptcy filings are because of medical debt, Americans going to bankruptcy because they can't afford to pay these ridiculous health care bills. These are people who already have insurance.

Ms. SCHAKOWSKY. Seventy-five percent of them already have health insurance. They're going bankrupt.

Mr. ELLISON. Let me yield to the gentlelady from Illinois. Tell the rest of that story: 75 percent have health insurance. Some people think, Mr. Speaker, we're talking about the uninsured, and we are, but that's not the only people we're talking about. Tell the story about the insured.

I yield back to somebody.

Mr. GARAMENDI. Well, we all know the stories of the insured. We all know the stories in our own districts and our own States about those people that have health insurance, but they blow through the deductible and then they blow through the annual, or they hit the maximum benefit package of that insurance, and then they're on their own. At that point they sell their house, and they often wind up in bankruptcy.

The other part of what's happening is the downturn of the economy. Millions of Americans have lost their jobs. You lose your job, you lose your health care, you have no way of paying for COBRA. Even though this bill and the previous bills that this House has passed and the Senate has passed and become law do provide a subsidy to help people stay on COBRA, if you're unemployed, you have a heck of a time trying to make that payment.

So people lose their jobs. They lose their insurance. They lose their health. They go bankrupt. And 45,000 Americans die because they've lost their insurance, or they never had it to begin with. So this is the story of America.

The legislation that will be before Congress in the days ahead specifically deal with that problem. They deal with it, as Ms. SCHAKOWSKY has said, by saying that no longer will you lose your policy when you get sick with medical underwriting or post-event underwriting. That's one thing.

Secondly, you will not be denied insurance because you have a preexisting condition. And who doesn't have a preexisting condition?

It was at the summit that Representative MILLER held up three pages, and he read. Each of these pages, in small type, was from an insurance company that listed the preexisting conditions that they would use to deny coverage. Everything from acne, the story that you told earlier, to kidney illnesses or colds or whatever.

I know a young lady, 23 today, that came off her family insurance, tried to go back to the insurance company that she had been with for her whole life,

from the day she was born. They had all of her medical records, denied her coverage because she had acne. I think the real reason was that she was a female in that child-bearing age. She wasn't pregnant, wasn't married, wasn't likely to have a child anytime soon. But she was in that child-bearing age.

I said, This is not right. What's going on? She said, Well, I tried to go online to get a policy. I said, That couldn't be. I said, Give it a shot. So we went online, put down her name, female, the health statistics: denied, no coverage available.

I said, let's try something. Let's just change one thing here. Let's say instead of a female, you're a male. Bingo, she got coverage.

The present system discriminates in the most pernicious ways. If you're a young female, you're likely to be expensive, medical care of different kinds; you're going to give birth to a child. You talk about family-friendly policies? Not from them. So these are things that are corrected in this legislation.

Ms. SCHAKOWSKY. Let me comment on this gender discrimination. I think the Speaker of the House, NANCY PELOSI, put it really well today—some of the women had a meeting with her—when she said, being a woman is a pre-existing condition.

Mr. GARAMENDI. Exactly.

Ms. SCHAKOWSKY. And the truth of it is that pregnancy, in some cases, is considered a preexisting condition. A C-section, a cesarean section, being a victim of domestic violence is a pre-existing condition that could make you ineligible.

If you go out on the private market right now, only about 12 percent of policies actually cover pregnancy.

□ 2015

Women overall are charged about 38 percent more for health care than men are. And in some cases it is as much as 70 percent more than men for health care just because we have slightly different—well, maybe extremely different parts to our bodies. That is so wrong. This bill ends gender discrimination.

But I do want to say one thing about rates that I don't want to forget to say.

Mr. GARAMENDI. Before you go there, let me just make this point. This is the point to the insurance companies. The day the President signs this bill, your discriminatory practices are over. You will not be able to discriminate against Americans because of their health status, their marital status, whether they are male or female. Those days are over.

Listen carefully, health insurance companies. I know why you are spending that hundred million dollars trying to oppose this bill, because you know that the day we pass this legislation, the day this is signed by the President, your discrimination is over and every American is protected.

Please go ahead.

Ms. SCHAKOWSKY. Thank you.

And that is so important to every woman in America, that we will finally be on a par, which under current circumstances isn't good enough, because the insurance companies—why is it that adding 30 million more people isn't good for them? Because they don't want everybody. They want to pick and choose. They want to pick the healthiest people. It really shouldn't be called health insurance. Well, I guess it is, it is only for healthy people. That is accurate.

What we do is we start deciding whether or not rate increases are reasonable or unreasonable. We are not against profits here. We are still doing private insurance. But for heaven's sakes, when you start talking about 50, 60, 94 percent rate increases, they are going to have to justify that. I am proud to have introduced that amendment that says that we are finally going to get a handle on it.

I come from a State where there are no limits, there is no regulatory body that can say how high rates can go. And as you can see, right now—in fact the insurance companies are kind of helping us pass this bill because they are showing us if we do nothing, they are going to keep raising their rates double digits, or almost triple digits and charging people.

Mr. ELLISON. If the gentlelady will yield, she just used the phrase “do nothing.” It just sparked in me sort of a reflection, that is, between the years 2000 and 2006, our caucus on the party opposite really did do nothing to fix health care.

Ms. SCHAKOWSKY. Right. Not our caucus.

Mr. ELLISON. No, the party opposite. The Republican caucus.

Mr. GARAMENDI. Speak the truth, man. The Republicans did nothing.

Mr. ELLISON. The Republicans didn't do anything. But then someone corrected me and said, KERTH, they did do something. They gave us the doughnut hole. I said, well, that's not anything to brag about really. As a matter of fact, in our health care bill we actually make some down payments on the doughnut hole.

You know, they had the House from 1994 to 2006. They had the House, the White House, and the Senate from 2000 to 2006. They absolutely didn't do anything. And if you sit here and listen to this House floor, you would actually get the impression that they were about offering some constructive solutions. But they are not the party of constructive solutions. They are the Party of No, the Party of No, the party of the health care insurance industry; the wholly owned subsidiary, as ANTHONY WEINER is fond of saying, of the health insurance industry. It is time that it come to an end.

I just want to again thank all the colleagues on the floor because you are right, when the President signs that bill, that discriminatory behavior, no.

Young people being able to stay on their insurance policy until 26, yes. We will see free preventive care right from the beginning. We are going to see a lot of good things happening right away, and know more good things are going to come in as this bill is rolled out.

Mr. GARAMENDI. Let me introduce to all of us a young woman from California who preceded me by about 9 months in a special election last spring, Congresswoman JUDY CHU.

Thank you for joining us.

Ms. CHU. Thank you, Congressman GARAMENDI, for bringing this special order together.

I wanted to say a few words as to why I think women in particular need health care reform. Republicans want you to believe that our health care reform bill is poison and that doing nothing is better. But the truth is doing nothing is poison. Insurance companies will in fact continue to cheat women on their health care. And it is women of America that truly do need health care reform.

Women have a harder time getting the care they need, women like Holly from Georgia. Holly is 3 months into her chemotherapy treatment for cervical cancer. She works at a small business that does not offer insurance to its employees, and she makes too much to qualify for Medicaid. She thought still she would do okay on her husband's plan, but then disaster happened. They got the devastating news that her husband lost his job. They shopped around for private insurance, but were turned away by the best plans because of her cancer. Now they are stuck paying \$850 a month to a private insurance company to cover their family of four, almost the same as her mortgage. It isn't fair. Insurance companies are cheating women.

Did you know that insurance companies make women pay more for health care? Today, women are forced to settle for less health care at a higher price. On average we pay as much as 50 percent more than men for the exact same coverage. But somehow the insurance companies justify price gouging young ladies even when they are at their healthiest.

Sarah, a 22-year-old woman in Chicago, pays one-and-a-half times the premium compared to her boyfriend for the same insurance. This type of gender discrimination, making women pay more for the same product just because of their sex, indicates how insurance companies are taking advantage of us. What's worse is that this blatant gender inequity is legal in 38 States.

Now, health care reform will make this type of gender discrimination illegal. Insurance companies will be forced to do what is right, and that is charge everyone the same rate for the same care.

Did you know that insurance companies don't invest in prevention even though that would save them money? Today, millions of women have trouble getting much-needed preventative

medical services. Now we all know the importance of prevention. It has long-term health benefits and helps contain medical costs for patients and society. Yet women forgo important tests and screenings simply because they can't afford the copays.

One-third of uninsured women go without preventative care, from mammograms and pap smears, tests that can save lives if done today. Because of poor access to reproductive care, more women suffer from serious STDs like gonorrhea and genital herpes than men. But early preventive reproductive care will catch diseases that are less likely to prove fatal with early treatment.

Now health care reform will make sure that every woman has access and can afford the crucial preventive care that can save her life. It will require insurance companies to offer basic prevention services, reproductive health and maternity care, and make the preventive tests free with insurance. That's no copays, no deductibles under health care insurance, our plan.

Did you know that women have less access to insurance? Today, fewer American women have access to their own health insurance compared to American men. Many of America's women don't get health insurance through work because they work for small businesses that can't afford to offer their employees insurance. These small businesses can't afford it. Or else women work part-time or stay at home to care for their families. Making matters worse, the effect of the economic downturn that is being felt across the Nation left women and their families even more vulnerable. Women and their families have lost access to insurance and a way to pay for it.

Since the recession began, over 1 million women have lost their health insurance because their spouse was laid off. And what about single women? Without a spouse, women are twice as likely to be uninsured than men. And it is not just women who are hurt by a lack of insurance. When women are denied adequate coverage or lose their job, their families are hurt, too.

The weak job market is tough for single mothers. Unemployment for this group has skyrocketed, leaving almost one-quarter of all single mothers without health insurance to cover their families. That has left 275,000 children without regular access to doctors' visits or medication. But health care reform will help every woman—single, married, unemployed, or working part-time—to buy affordable coverage through the insurance exchange.

And did you know that women are denied health services? Today, women are turned away by insurance companies because of supposed preexisting conditions. And what are those preexisting conditions? Believe it or not, domestic violence, pregnancy, and Cesarean sections. So rather than doing what is best for the patient or for society, the insurance company is just looking for a way to save a dollar.

One advocate for the insurance industry argued that covering a victim of domestic violence was like insuring a smoker who doesn't stop smoking. A woman from Atlanta was proud to become pregnant shortly after she began working at a small downtown law firm, but her firm's insurance declared her pregnancy to be a preexisting condition and refused to cover her prenatal care of the delivery, despite the fact that the plan covered those services.

But health care reform will make it illegal to deny coverage due to any preexisting condition. And women will no longer be denied coverage for being mothers or finding a lump in their breasts. Basic women's health will be covered.

So I stand here today because women must understand how little the insurance companies look after our interests and how little the current system promotes our health needs. Health care reform will make sure women like Holly, Sarah, single women and moms can afford the treatment they need from the best insurance that they can afford and that they won't be turned away. That is why I so strongly support this legislation. The women of America truly need health care reform.

Mr. GARAMENDI. Thank you so very, very much for a very good and thorough description of the problem that women face in this issue and why this reform is so important to them.

I see our colleague from Illinois was getting kind of excited and wanted to get into this and add to this, so please do.

Ms. SCHAKOWSKY. I wanted to point out that our colleague, Representative CAROLYN MALONEY from New York, is head of the Joint Economic Committee, which just did a study, too, on the effects of health care, the current health care problems that women face. One of the things that she mentioned, which I hadn't really thought about, is that a number of men reach the age of 65 and retire and go onto Medicare while their wives, who are often younger than they are, are then left stranded. Because many of them have been on their husbands' policies, so the husbands go into retirement, they have the coverage, and women don't. So we have this period between 50 and 65 where men and women alike are left stranded.

One of the things our bill does is to create a \$5 billion pool that would be available for people in those 50 to 65 years to get some help with their health care. So in addition to making sure that women can go onto the exchange.

The other point I wanted to make about women is many women—men too, but women—often work in small businesses. A big beneficiary of this legislation, and it starts right away, are small businesses who are going to get up to a 35 percent tax credit on their premiums. And that will be immediately available to firms that choose to offer coverage to their employees. And a lot of those employees

are women. A lot of those business owners are women. So this is another way that our bill will help women and men alike.

Mr. GARAMENDI. Let's take this just for a little more, and then I really want to come back to something that you talked about, and that is the bill that you introduced having to do with the rate regulation process.

Ms. SCHAKOWSKY. Which is part of our bill.

Mr. GARAMENDI. But before we go there, the statistics just came out from the Labor Department that the majority of workers in America are now women. If we keep women healthy, then the productivity of America is substantially increased. And in order to stay healthy, women or men, you really need that health insurance that provides for the preventative care.

□ 2030

And that is in this legislation that there is an expansion of the preventative care services. For seniors, they will be free. For the rest of the public, the insurance policies will have to offer that preventative care. So if we keep women healthy, the productivity of the Nation is going to increase.

So for many, many reasons. We'll come back and deal with the issue of the overall economy in a few moments, but I really would like you to pick up the issue that you raised about rate regulation as a result of the extraordinary announcements that the insurance companies made about their rate increases.

Tell us about what you have introduced.

Ms. SCHAKOWSKY. First of all, it's no wonder that the insurance industry is fighting us tooth and nail and with millions upon millions of dollars in TV advertising because they are making so much money and they do that by raising their rates. And it's really astonishing to me that in this period when the Congress is discussing how we're going to change and make the health care system affordable for people that they have the utter audacity to show their true colors by raising their rates.

Let's look again at your chart.

Anthem Blue Cross customers. That's in California, right?

Mr. GARAMENDI. That's California.

Ms. SCHAKOWSKY. Ninety-four percent rate increases in the last 2 years. Something clearly needs to be done to get them under control. This bill does that. It says that they will have to justify, they'll have to open their books, they'll have to explain, and if they can't, that those rates can be modified, consumers can get a rebate. Enough of their taking such tremendous advantage of American consumers.

Mr. GARAMENDI. I think in the testimony that you talked about here in Congress—and I know in California that when Blue Cross Anthem raised their rates about 39 percent on the average, or 39 percent maximum, about 25 percent on the average, and then had

done that previously just in the previous year, so it's actually—the 2-year period is actually 12 months over 2 years, 2 calendar years.

What happened, the profits of the company went from about \$300 million to over \$2.2 billion profit. And that's probably why this CEO came before—and correctly, because I suspect she was under oath; you don't lie to Congress—told that she now has a \$2 million salary plus an \$8 million bonus because she was able, by raising the rates, to obtain a higher bonus for herself and obviously an extraordinary increase in the profitability of the company.

Now, if this bill passes, there will be a national standard for rate increases. It also says that if the State governments—and many State governments already do this—that they will be able to continue their rate regulation process.

Now, in California, as insurance commissioner in 1991, there was a proposition passed that set up a rate regulation system for the property, casualty. This is auto and homeowner and business insurance. It didn't cover health insurance. But the effect of that rate regulation over a 20-year period as described by the Consumers Union is over a \$30 billion savings to consumers.

Now, I was able to do that because I became insurance regulator. I set up the rate regulator system. The insurance companies are allowed a profit. They have a steady 10 percent profit. The extraordinary swings in the system, eliminated. The extraordinary increases and then some decreases were eliminated. A steady state was put in place so that the market actually became more competitive. There were more insurers. The policy costs were held down for consumers. We were unable to get that for the health insurance industry. We were unable to overcome the political strength, the contributions, the advertising of the health insurance industry. California remains today a State where consumers in the private individual market in California faced this rate increase because there was no rate regulation.

I am so thankful that you have introduced the legislation. This has been the heart and soul of my work for more than 8 years over a 20-year span of time, and if this comes into place, I know from my experience as insurance commissioner, it will be a substantial improvement to the cost of insurance. It will bring rates down, not just over time, but immediately, because the insurance companies no way, no how can they justify the kind of increases that they're imposing upon the public. And that's now in this legislation.

Ms. SCHAKOWSKY. That's right.

And let me say I think truly this is one of the dividing lines between the Democratic majority that's about to pass this bill that stands with the American people versus the Republicans who persistently have stood on

the side of the insurance companies that have raised our rates for decades, have cut people off, have canceled policies, have put in preexisting conditions. We want to stop those kinds of abusive practices. That's what they are. It's really abuse. And the Democrats are standing with the American people. It's a really, Which side are you on?

Mr. GARAMENDI. Which side are you on?

Okay. I prepared a chart. I have got my donkey up here. This is the Democratic proposal, and, yes, this is a very partisan thing. There is not one Republican vote for our reform, but here's what our proposal will do: 31 million Americans will have access to insurance, and if you already have an insurance policy that you like, keep it. Nobody is going to take it away from you. Keep your insurance policy.

If you happen to be of low or moderate income, there will be a substantial—the single largest personal tax cut ever is in this legislation. You mentioned it earlier. It is the tax credit. We're not talking about a deduction for medical care. We're talking about a tax credit. It is taken right off your bottom line taxes, and its up to \$53,000—or excuse me, \$5,300 for a family of four with a \$50,000 income. This is a substantial tax cut going right to the middle class, middle America.

Secondly, denial of coverage. We have talked about this over and over again. Those days are over. Hey, insurance industry, it's done. The day the President signs this bill, you will end your discrimination. It's over. Millions of seniors will see the prescription drug—we've talked about that—and millions of Americans will have access to coverage.

We haven't talked about the insurance exchange. But before we go there, you mentioned the Republicans. Okay. Here we are.

Let's talk about the Republican program. What's the Republican program? And this is in the next 10 years.

If the Republicans have their way, 67 million Americans will remain uninsured. That's an increase. Some 40 million, in that range, today are uninsured. But if Republicans have their way, we're talking 67 million Americans.

Single and family health care policies will double over that period of time. We're already paying more than can be afforded today, and if they have their way, the Republicans have their way, you will see a doubling.

Employer premiums, the cost to employers will double.

And you want to talk about the American economy being uncompetitive; this is where you will find it, right here, out-of-pocket expenses. We'll go from \$315 billion today to over \$564 billion in the year 2020. And insurance availability from small businesses' employers will be cut in half.

That's the Republican program.

Ms. SCHAKOWSKY. That is a better Republican program, because that's if

we do nothing, that's what would happen. But actually, the proposal that was laid out by Representative PAUL RYAN, the top Republican on the House Budget Committee, he laid out what he called the roadmap that would actually end Medicare for you as an individual.

Mr. GARAMENDI. I hope to be 65. Well, I actually am 65.

Ms. SCHAKOWSKY. Are you?

Mr. GARAMENDI. Yes.

Ms. SCHAKOWSKY. So let's say you're 54. Let's pretend. Are you? Okay. I believed you. I thought you were 54. Okay. So let's pretend you're 54 years old.

Mr. GARAMENDI. Thank you.

Ms. SCHAKOWSKY. And what it means is, when you would get to 65 years old, rather than getting Medicare, you would get a voucher and be told, Go out and buy insurance. There is no more guaranteed Medicare for you. There is no more guaranteed package of benefits. You go out and buy insurance. And that is really privatizing Medicare and destroying it for every American that is currently under 55 years old. When they get to 65, they wouldn't have it.

Mr. GARAMENDI. So what you're saying is this is the do nothing, the best case Republican scenario. But if they actually were able to pass a bill, they're going to take men and women that are 54 now, that in 10 years will be 65 going for Medicare, they're going to take those men and women and toss them into the shark pool with the insurance companies?

Ms. SCHAKOWSKY. That is exactly what I'm saying. And that it would also hurt Medicaid.

Mr. GARAMENDI. So for my Republican friends, this is the best deal they have to offer, the do nothing deal?

Ms. SCHAKOWSKY. The do nothing deal is better than the plan that they say is good for Americans.

Mr. GARAMENDI. Let's take a moment, and we can go back and forth with the dialogue here for a moment about the American economy.

This debate has been focused principally on individuals and families and the effect of this, of our program, and how it will help families. Prior to, oh, the last month or so, there was a debate in America, at least there was a discussion in America about the effect of health care and the cost of health care on the American economy.

I don't have a diagram here. I thought I would bring it, but it didn't get over here. And it's the fact that the American economy, we're now spending somewhere close to 17 percent of all of our wealth, our GDP, on health care. It's an extraordinary number, particularly when you consider what other economies are doing around the world.

Our competitors, Japan, Korea, the European countries, all of the European Union countries, have universal health care. All of the people in their societies, including visitors, have access to health care. Their health statistics are better. They live longer. They

don't have as many diseases. Their children don't die as often as our children die. So yet the most any of those countries spend is 11 percent. Most of them are 10 percent or 9 percent of their total wealth. So we are at an extraordinary disadvantage.

One of the numbers I heard is like it's writing a check to our competitors for about \$800 billion a year, an advantage that we're giving them in our economy because we're spending so much more on a health care system that is so grossly inefficient in so many, many ways.

Part of what is taking place with the reforms we are putting forth here is an effort to hold down the costs in many, many ways, including making sure that people have access to health care in the most efficient, effective way; not waiting until they are very, very sick, uninsured, very sick, going to the emergency room, which is the most expensive place, and being extraordinarily sick when they arrive but, rather, getting preventative care, getting the early care.

I will never forget a young man about 35. We were doing this debate about 4 years ago in California and he was a speaker at this thing, and he said, I want you to know that I am a glazer. I put glass up in buildings. That's my business. I put glass up in buildings, and I worked for a company for 12 years. We had good health insurance. And the company hit upon a hard time and so they cut the health insurance, and they then decided that they would reduce our health program. I said, I'm a healthy young guy and I've got good health, but I will get my children covered.

So he covered his children, and he eliminated his own coverage. He came down with a cold, simple cold. The cold got worse. He didn't have coverage so he didn't go to get care. He wound up with pneumonia, and he wound up then with a collapsed lung; wound up in the hospital for 3 or 4 weeks, became bankrupt. It could have been taken care of with a very simple antibiotic that would have cost \$50. It became a \$50,000 event.

This is happening across America. Those 45,000 people that die every year, this is the young man that didn't get care.

□ 2045

This is the extraordinary cost in our system because we don't cover everybody. We intend to deal with that and over time bring down the percentage of our economy that we are spending on health care as we make it more rational, more universal and more efficient.

Ms. SCHAKOWSKY. Those are the tragic stories that result from our health care system. But there are also enormous lost opportunities. One of the things that we know about our health care system is people get locked in jobs. They may dream about creating something, a really innovative product, or starting a new business or

becoming a great artist, thinking of a new invention that will transform medicine or energy, but they are stuck in their job. A Canadian was telling me about the incredible freedom that people in Canada have to innovate, to experiment, to create, to do all the things that so many Americans, because of our health care system, are unable to do. If America, the United States of America, wants to be number one in innovation, we want to release that creative spirit and that spirit of innovation which is trapped in a job because of health care.

Mr. GARAMENDI. Let me give a personal example. My son is married with two children. He worked for the University of California for almost 19 years. In the last 5 years, he wanted to start his own business. He and his wife wanted to start their own business—actually it has been about 10 years. They hesitated, hesitated year after year and didn't start their own business until finally he just said, I'm going to do it. I'm going to run the risk. Why did he wait all that time? One very important factor: Two young children. Obviously there were some pregnancies and deliveries involved in that, during that period of time. He could not afford, and he could not get, his personal health insurance, so he stayed with the university for an extra 5, 7 years. And the entrepreneurial spirit, his entrepreneurial spirit, was dampened because of his inability to get health insurance in the private individual market because of a preexisting condition that his wife had. He knew that if he left the university, they would be uninsurable.

That is repeated a million times across America, the great entrepreneurial society stifled by this health insurance industry that we have. We are going to change that. And if the Republicans want to join us in changing and freeing the American entrepreneurial spirit, then come and join us. Join us on this bill. Join us on a bill that eliminates the discrimination against women, join us on a bill that eliminates the ability of the insurance companies to discriminate against individuals of all kinds. Free the American entrepreneurial spirit. Give people health care. Make it affordable. We haven't talked about the subsidies that are in this. There are extraordinary subsidies for individuals, for small businesses, so that it becomes affordable, available, and honest insurance.

That's our promise. That's in this bill. And we are going to pass it, because it is the right thing for America. Thank you for joining us. Thank you so very, very much for the leadership and all you have brought to us.

And to the American people, pay attention. This is important. America for more than a century has tried to get to the point that we are going to be voting on in the days ahead.

VACATING 5-MINUTE SPECIAL ORDER

The SPEAKER pro tempore. Without objection, the request for a 5-minute special order speech in favor of the gentleman from Texas (Mr. BURGESS) is hereby vacated.

There was no objection.

HEALTH CARE REFORM

The SPEAKER pro tempore (Mr. TONKO). Under the Speaker's announced policy of January 6, 2009, the gentleman from Texas (Mr. BURGESS) is recognized for 60 minutes.

Mr. BURGESS. The last hour just ended, and you heard the admonition at the end of the hour that it is extremely important for people to pay attention. And during this hour, I am going to echo that thought. It is important for people to pay attention, Mr. Speaker, and, yes, I will direct my remarks to the Chair. But, Mr. Speaker, if I could talk to the American people, what I would tell them is now is the time, it is late at night, but now is the time for you to be keeping this House under intense scrutiny and watch what happens here over the next 72 hours as we drag this carcass of a health care bill across the finish line.

Now, how did we get here? It's probably useful to think about things for just a moment. We had a big election in 2008. People said they voted for change. Right before that election in 2008, in the other body, the chairman of the Senate Finance Committee held a big meeting over in the Library of Congress and had all the big players and the stakeholders in health care in the room, and came up with what was called a white paper on health care reform. For all the world, it looked like a bill. For all the world, it looked like it would be the bill that was brought forth in the Senate should the Democrats take control of the White House, the House and the Senate. Indeed, the election was held, and they did.

I will tell you, Mr. Speaker, I was somewhat surprised that there was not a health care bill, no health care bill came forth in those early days after the election. I thought perhaps we would see one in December of 2008 during the holiday season, but no health care bill. No health care bill in the weeks that the Congress was getting organized. We had a big inauguration, no health care bill. We had a designee named to be Secretary of Health and Human Services. Still no health care bill was forthcoming. Well, surely it will come along right after that confirmation for Health and Human Services. But as it turns out, that individual had some tax problems and that nomination was withdrawn before it ever got to the confirmation vote in the full Senate. So we were left without a Secretary of Health and Human Services for several months, no health care bill.

Suddenly, it was early summer. There was a letter sent from the other

body from the two committees of jurisdiction, the Health, Education, Labor and Pensions Committee over in the other body, and the Senate Finance Committee in the other body, they sent a letter to the President and said, We will be producing a health care bill within the next couple of weeks. In fact, the Health, Education, Labor and Pensions Committee did produce a bill. The coverage and cost numbers were quite startling when they were revealed: A cost of \$1 trillion. It left a lot of people uncovered as the original plan was unveiled, and then several weeks were spent in what was called the markup of that bill over in that committee over in the Senate.

Then the three committees of jurisdiction in the House had a health care bill that was rapidly brought forward. We didn't really get a lot of time to look at it. There was certainly no subcommittee markup. It came straight to our Committee on Energy and Commerce for a markup. And to give credit to the chairman of the Energy and Commerce Committee, we did get a little more time than the other two committees, the Committee on Education and Labor and the Committee on Ways and Means. They each had a day, a 24-hour period, to mark up this bill. Think of that. This bill, this legislation that's going to affect the lives and livelihood of Americans for the next three generations was allowed 1 day in markup in Ways and Means, 1 day in markup in Education and Labor. We at least had 8 days in Energy and Commerce. Four of those days were spent recessed because we couldn't agree on some things, but we did have more time in the Committee on Energy and Commerce than in any other committee in the House.

Think back, Mr. Speaker, to the Clean Air Act in the early 1990s. I'm told it was an 8-month markup for the Clean Air Act, 8-month. Think how the people on those committees must have hated each other at the end of those 8 months. But what did they get? What did they get for that 8 month investment? They got a bill that had support from both Republicans and Democrats, eventually passed the House, eventually passed the Senate, eventually was signed into law by George Herbert Walker Bush, and the Clean Air Act became the law of the land and arguably has been successful since that time. So that's the way the process is supposed to work.

Let me take one step back. The House passed a bill, the Senate passed a bill, they went to a conference committee, had a continuation of that long and drawn-out process, but the conference committee produced a conference report that was endorsed by the Senate, endorsed by the House, again bipartisan majorities on either side, the bill then went to the President for his signature, and that's what we now know as the Clean Air Act.

But think of the difference between that major piece of legislation that had

a great and far and reaching affect on the lives and livelihood of every American, contrasted with what we've done over the past year.

And quite honestly, Mr. Speaker, it's not that we didn't have time. It's not that we didn't have time. After all, we have been working on this thing nearly 15 months. We actually had time to do a real markup in each of the three House committees. We had time to do a real markup. We had time to do a real conference committee.

Look at the timeline of this bill. We got it in Energy and Commerce in the middle in July. We didn't have a lot of time to deal with it before, but when we got it, we worked on it, we worked hard. I offered a multitude of amendments. I had 50 amendments prepared in committee. Five of those were accepted by the time the bill passed out of committee, all of those on a voice vote, so presumably a unanimous vote, and every one of those amendments was stripped out when the bill went to the Speaker's Office before it came back to the House, to the House floor in late October, and then we had the vote in the House in early November.

The Senate had their bill. The Senate Finance Committee completed their work in the fall. They brought their bill to the Senate in the month of December. It was voted upon, famously, on Christmas Eve, and then the normal sequence of events would be for the bill to go to a conference committee. And there in the conference committee, yes, the Democrats have substantial majorities in the House and the Senate. The Democrats would have had a significant advantage in the conference committee. The idea of the conference committee is to meld the differences of those two bills to create a product that can be endorsed by both Houses in the Capitol.

But they didn't do that. They thought, well, that was hard to get that one through the Senate. Let's not go through regular order. Let's try something different. And that something different was, maybe we can just get the House to pass the Senate bill because the Senate bill was, in fact, a House bill. It has a House bill number. In fact, it was our appropriations bill, I think, for Treasury Department appropriations last year. It did pass the House as an appropriations bill, went over to the Senate for work on their appropriations bills. That never happened, but the bill was then used as a shell. The legislative language for appropriations was stripped out, the health care language was put in, so the Senate passed a House bill on Christmas Eve, and then that bill can come back through those doors, come into the House, and the Speaker of the House will say, the business of the House is now, will the House concur with the Senate amendment to H.R. whatever it is, the House agrees by a simple majority, at that time 218 votes, and the bill goes to the President's desk.