

(Mr. DENT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

ADDITIONAL FACTS AND FIGURES FROM THE HEALTH CARE BILL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Missouri (Mr. AKIN) is recognized for 60 minutes as the designee of the minority leader.

Mr. AKIN. Madam Speaker, I appreciate being recognized. As we do on occasion on Wednesday, after the main part of the House business is closed, we have an opportunity to take a look at various topics and subjects. Usually we have chosen subjects of significant importance to Americans, ones that affect everybody's lives. And it might seem odd in that we have already passed the government takeover of health care bill that we would go back to that bill, but I think there is continuing information that is being released that a lot of people may not have known about when the bill was passed, additional facts and figures which are, at a minimum, quite disturbing.

The facts and figures that I thought that would be important to talk a little bit about today are the facts and figures that come from the President's own people, the Centers for Medicare & Medicaid Services. These are people that the administration has chosen. They are a group of people who are taking a good look at the bill that was proposed and has been passed, what its implications are and some of the financial facts.

So this was something that was actually approved by the Obama administration. This was not the House Congressional Budget Office, which is viewed as being fairly bipartisan and has its own numbers. But these facts have just come out recently. We have to assume the President knew them, and the facts are in sharp contradiction, in complete disagreement with statements made by the President himself.

So I think we need to take a look at some of these things. Particularly, there was the claim in the health care bill that we have to bend the cost curve down because the numbers financially, for our Nation, we can't continue to have increasing health care costs.

□ 1615

Everything was centered on the fact that we are spending too much on health care. First of all, of course, the premise of that is a little odd. If you are a sick person, maybe you are not spending too much on health care. Maybe you spent what you needed to get well. But we are looking when that comment is made on what the government is spending on health care, particularly Medicare and Medicaid. So we are saying the government runs Medicaid and Medicare and they are spend-

ing too much, so the government needs to take it all over.

But the whole thing was sold on we are going to bend the cost curve down so Medicare and Medicaid, also health care in America, will cost less. Here we have Obama's hand-picked Center for Medicare and Medicaid Services saying that, in fact, this bill is going to increase the cost of health care. Well, that is kind of odd because the whole logic for doing it was because we are going to decrease it. And now we are hearing it will increase it. We are going to look at some of the different promises, quotes, and comments.

I am joined by a good friend of mine from Pennsylvania, and hopefully we will have some other guests on the floor tonight. I will introduce things first, and then we will discuss this.

This was an attempt to try to summarize the 2,000-page bill. They say a picture is worth a thousand words. Well, this picture may be a little tough. I don't know if it is worth 2,000 pages or not, but it is a tough picture. This is a rough idea what the government has to take over on the bill we just passed. So obviously it is going to be complicated. It shouldn't surprise us when we see this and ask: Is this going to save money? The answer now from Obama's own people is, No, this is going to cost more money than it is going to save.

So this is one of those things, just to get a sense of how complex the change is, and people are asking our offices all the time: When is this going to take place? For instance, those of us in Congress, we lose our health care coverage with this bill. So we are asking ourselves: When do we no longer have health insurance; and where do we have to go to buy it?

Well, you have to go to an open exchange. And there are a lot of questions about how is it that the Federal Government is going to take over one-sixth of the U.S. economy and somehow make it more efficient than what we have right now. The answer is they are not. They are not. The authorities appointed by the Obama administration again say it is not going to be more efficient, it is going to be more expensive.

There were all kinds of promises that we heard about, and I think it is important to go back and look at some of those things. Congressman THOMPSON from Pennsylvania may remember some of those quotes.

First, this is one that the President said: If you are among the hundreds of millions of Americans who already have health insurance through your job, Medicare or Medicaid or the VA, nothing will require your employer to change the coverage with the doctor you have. Try to explain that to the Members of Congress who are all losing their health insurance. This doesn't even pass the laugh test. This is ridiculous to make this statement.

The proposal that is before us, and you can probably technically say first,

if you are among those who already have a health insurance policy, nothing in this plan will require you or your employer to change. Well, for how long? Well, until the bill goes into effect; then it will make you change. So this is really something here. Particularly the people who are going to be rather cynical when they read this are the people who are the Medicare seniors on Medicare Advantage. I don't know how many hundreds of thousands of people are in Medicare Advantage. You are going to have half a billion dollars taken out, \$500 billion being taken out of Medicare Advantage. And obviously when you take that money out, the people on that plan are not going to have that same plan. About 50 percent of the seniors in Medicare Advantage are not going to have the same thing.

I want to contrast back and forth, the President says something, but yet, it taint necessarily so, as the song goes.

Mr. THOMPSON of Pennsylvania. I thank my good friend from Missouri for leading this discussion. It is such an important discussion as we look at the consequences of this health care bill that has been passed.

Mr. AKIN. Do you think we really know the consequences? I don't think people have a clue what the consequences are.

Mr. THOMPSON of Pennsylvania. That's right. I don't think we do either. The original Senate bill was 2,000 pages. We had a manager's amendment, and a reconciliation bill on top of that. We are talking close to 4,000 pages, and now the bureaucrats have to take that bill and put it into regulatory language. We may not know certainly for months and maybe years everything that is in here.

It really comes down to one word, and it is credibility. To say one thing, words one way and your actions completely opposite, it lacks credibility. We shouldn't be surprised. We saw that going back. Stretch our imaginations, we don't have to go that far back, we saw that a little over a year ago with the stimulus bill. The President said we have to do this stimulus bill. It was his words then that said we have to do this stimulus bill because if we don't, unemployment may go over 8 percent. So we spent \$878 billion on the stimulus bill; and in the end, what did we get? Well, we are at 10 percent or just under 10 percent unemployment at this point.

Mr. AKIN. So we are getting this radical, one statement says one thing and yet when you look at it, it is the exact opposite.

Mr. THOMPSON of Pennsylvania. Actions as we know, speak louder than words.

Mr. AKIN. The promise was if you don't pass the stimulus bill, this was a year ago, you could have unemployment above 8 percent. I wish we hadn't passed it because our unemployment is now 10 percent.

You were on the floor here about a year ago saying it wasn't going to work. It wasn't that we were being pessimistic, but we learned from history from Henry Morgenthau, FDR's Secretary of the Treasury. He said this economic approach of the government spending tons of money doesn't fix this problem of unemployment and recession. It just doesn't work. After trying it for 8 years, it wasn't that we were rocket scientists, it is just we learned a little something from history.

Yet we get this one promise that if you don't do this, unemployment is going to go as high as 8 percent. Instead it went to 10 when we spent whatever it was, \$700 billion or \$800 billion. That is just amazing. That is one of the promises. I was thinking about the health care promises, but you're right on that.

Mr. THOMPSON of Pennsylvania. One of the premises that I have always led my life by is the best predictor of future performance is past performance. I think there is a significant issue, a great divide being what is being said, what the President said about the health care and some of the promises that were made in order to get this bill pushed through Congress and what we see now and what we have now is the reality as we take our time to look through this bill.

Mr. AKIN. Here is one that might be of interest to you. I have a couple of examples.

This is a quote from Senator Barack Obama and it was on 10-4-08. We will start—talking about his health care proposal—we will start by reducing premiums as much as \$2,500 a family. If somebody told me that, I am saying I like that. Our expenses, we go through a lot of money with a bunch of kids and health care. If you are going to reduce my premiums by \$2,500 a family, that is a great promise if it is any good. And yet after making this promise, now here we go, not only the Congressional Budget Office which is our bean counters, Republican and Democrat bean counters in the House and Senate, our guys, and this Center for Medicare and Medicaid Services which is the administration's, it is Obama's bean counters, are saying it is going to reduce the premiums by as much as \$2,500, both of these offices are saying that the insurance premiums will increase under the Obama care, not decrease by \$2,500, it is going to increase and it is going to increase by, I think they are saying—let's see, here it is: Americans who buy their own health insurance plans will pay an average of \$2,100 a year more for their policies.

So if you are somebody going out and buying your health insurance, instead of decreasing by \$2,500, it is going to increase by \$2,100. That is a little different story. That is the sort of thing that gets people upset.

We are joined by a doctor with a medical opinion on this subject.

Mr. ROE of Tennessee. Thank you. One of the things that we are trying to

do here, and as I go back and think through the last 15 months, and remember when this debate first began: What is the problem that we are trying to fix? Well, the problem we are trying to fix was we had 40-plus million uninsured people in America, and that is untenable in this country.

Number two, health care costs were going up faster than inflation. That was a problem. There is no question that the uninsured and rising health care costs had to be addressed. There are many ways you can address this. I brought to the table 17 years experience with a failed plan in Tennessee.

Mr. AKIN. I want to mention that there may be some people joining us that are not always here on Wednesday evening. You are not just a Member of Congress, you are not just a former doctor, but you are also from the State of Tennessee, and the State of Tennessee is one of two States that tried this ObamaCare kind of approach to health care. And your experience in the State of Tennessee was did it decrease premiums and decrease the cost of insurance? That is what was promised by the President when he was a Senator. He said we are going to start by reducing premiums by as much as \$2,500 a family. Did you believe that?

Mr. ROE of Tennessee. No, I did not. One of the reasons was just the practical experience I had for over 16 years has shown that was not in the case. Back in the 1990s, we had a lot of uninsured people, and we asked for a Medicaid exemption and we got that in Tennessee to form a managed care plan. The idea was we were going to have various plans compete among each other to hold health care costs down. What actually happened was over about a 10-year period of time our costs tripled in this particular plan.

Mr. AKIN. So your costs tripled when you went this route?

Mr. ROE of Tennessee. Over 10 years they tripled. What happened was a lot of people, and I will predict this right here on the House floor right now, what is going to happen nationally with this plan is exactly what happened with our plan. I have seen this picture before. What will happen is you will have people, and we already have a business in west Tennessee that is a large plan. And remember, the Federal Government is going to determine what is adequate health care coverage in this great scheme, not you the individual or you the company, what you can afford, but the Federal Government will decide what is adequate health care coverage.

This particular business their coverage that they have now the Federal Government says no, this is not adequate coverage. And so it will cost this one business \$40 million more. Now if they drop their coverage, their covered workers into the exchange and they pay the \$2,000 fine per individual, it will save that company \$40 million.

Mr. AKIN. Let's get this straight. You have a company here and the com-

pany is being faced with some choices now. Their first choice is just take their employees and dump them into, is it the State or the Federal?

Mr. ROE of Tennessee. The Federal exchange.

Mr. AKIN. You can take your employees and unload them on the Federal Government, and if you do that, how much money does it save?

Mr. ROE of Tennessee. It saves \$40 million. It is a large company.

Mr. AKIN. So if you are a big company, you can make \$40 million by just dumping your employees onto this plan?

Mr. ROE of Tennessee. That's correct.

Mr. AKIN. Why wouldn't somebody do that?

Mr. ROE of Tennessee. Why wouldn't they do that. Exactly. That is exactly what happened in Tennessee. What happened in Tennessee is employers saw they could let their employees go to the TennCare plan, and 45 percent of the people who got on TennCare had private health insurance and those costs were shifted to the State of Tennessee.

What happened, the little caveat that isn't ever talked about is that no Federal plan, including Medicare, pays the actual cost of the care. What you are talking about right there in Tennessee, the TennCare plan paid about 50 or 60 cents on the dollar. So guess what happened to private businesses, those costs got shifted and their premiums not only went up at the rate of inflation, but you got those added costs added to it.

□ 1630

So that's where your \$2,000 comes as cost shift that we're talking about.

Mr. AKIN. Okay, I'm starting to understand. Doctor, you're great at explaining this stuff.

So what you're saying is you've got a certain number of people that are all kicking into the system and paying for medical care. All of a sudden you create a government incentive to dump all those people on the government. Now the government is having to pick it up, and guess who's going to pick up the bill? Well, it's the people who are still buying private insurance. So when you take these people out—the company is not paying for them anymore—now the private insurance guys, their cost goes way up to compensate for these other people because the government is not paying enough to cover the insurance.

So if the government puts in 50 cents on the dollar, somebody's got to make up the other 50 cents. Guess who it's going to be? The other poor sucker out there who's trying to buy his own health insurance.

Mr. ROE of Tennessee. And then what's going to happen is going to be, in a few years—in our State, it took about 5 or 6 years for us to recognize that we had a big problem on our hands. What's going to happen is that then, us, the politicians, are going to

step up and say, see, the private sector failed; we told you it was going to fail. This system that we have, Congressman AKIN, is designed to fail, and it will.

Mr. AKIN. Oh, so we're designed to fail because if you get the private system to fail, guess who's going to end up having to run the whole system?

Mr. ROE of Tennessee. You got it.

Mr. AKIN. The Federal Government. What a treat.

Every time we take a look at this thing and we discuss it on the floor, no matter which way you poke at it, it seems to me you come to the same conclusion. There's one solution to this problem: repeal this silly bill that we passed. It's a disaster.

Congressman THOMPSON from Pennsylvania, please join us.

Mr. THOMPSON of Pennsylvania. Well, I thank my good friend from Missouri.

The other part of that is, what they are paying, what my good friend, Dr. ROE from Tennessee, talked about how Medicare pays today less in costs. Commercial insurance on the average nationally pays 130 percent of cost. And there is only one reason—well, there's two reasons for that, but it all comes from the government. The government pays Medicare 80, 90 cents on the dollar, if we're lucky. Medical assistance, which has been expanded tremendously under this bill, only pays 40 to 60 cents for every dollar cost.

The President's own agency, the Centers for Medicare and Medicaid Services, in their actuarial report—so that's taking the folks at Medicare and taking the brightest and the best in terms of determining the economic impact of this bill, the section that talks about how will this impact our hospitals? Right in that bill, and I'll quote: "Medicare cuts could drive about 15 percent of hospitals and other institutional providers into the red" and "possibly jeopardizing access" to care for seniors. That's a significant risk.

My background was working in rehabilitation therapy as a manager within rural hospitals. And most rural hospitals—and, frankly, underserved urban hospitals—in my experience, if they're having a banner year, make a margin of about 1 to 4 percent. And out of that 1 to 4 percent, we hope that they can give cost-of-living increases because we want them to keep the best and the brightest and be able to recruit and retain—and that's a challenge when it comes to recruiting health care professionals.

Mr. AKIN. Just interrupting for a minute, from a business standpoint, because my background was engineering and business, when a business is running at 1 to 4 percent, that's like if you think about somebody that has to breathe keeping his lips above the water, you don't have much margin there before you go into the red when you're running at 1 to 4 percent.

Mr. THOMPSON of Pennsylvania. And you don't. When you're looking at

difficulty recruiting and retaining health care professionals, especially to rural areas and some urban areas, when you look at escalating costs of medical liability insurance—which our colleagues across the aisle refuse to deal with—they allow \$39 billion annually to be spent for medical malpractice insurance. That's \$39 billion that could be reduced out of the cost of providing health care, let alone the impacts of defensive medicine practice. So you've got that 1 to 4 percent. You also have hospitals under pressure to continually invest in new technology because we want them to have the technology to save lives.

Mr. AKIN. Let me just cut to the chase for a minute here. Are you suggesting that with this new proposal, because of the tremendous pressure that's going to be placed on those hospitals, that they're basically going to be starting to close?

Mr. THOMPSON of Pennsylvania. Well, not only am I suggesting that, but the President's agency, the Centers for Medicare and Medicaid Services, put that in writing.

Mr. AKIN. So they're saying that this new bill, among other things, is going to close hospitals.

Mr. THOMPSON of Pennsylvania. That is correct. They're estimating up to 15 percent.

Mr. AKIN. Now there's something here that just seems to be ironic to an extreme. We passed this massive government takeover of health care, and the very people that the President and his administration chose to take a look at and study the effect on Medicare and Medicaid of this proposal are saying it's going to close hospitals; and yet this bill is going to hire 16,000 new IRS agents to try and enforce the plan. You would think if you had a medical bill, you would hire more nurses and doctors. No, we're going to do 16,000 IRS agents.

Mr. ROE of Tennessee. Will the gentleman yield?

Mr. AKIN. Yes.

Mr. ROE of Tennessee. I want to just comment on that right now before I have to go on blood pressure medication.

Mr. AKIN. Which is brought on by the bill, is my question.

Mr. ROE of Tennessee. Which is brought on by the bill.

Here we have something as ridiculous as hiring 16,000 IRS agents to check a box to see whether you have bought health insurance, where if you took that \$10 billion right there, you could solve the uninsured, and our TennCare problems in the State of Tennessee could actually provide the care. Now, that's absurd when you hire government bureaucrats to check a box when you could actually provide care for pregnant women, for the elderly on Medicaid, for young people.

The gentleman from Pennsylvania brings up a great point on rural hospitals. Typically, if you look at the demographics—and I live in a rural area

in Tennessee—if you look at the demographics, they tend to be older and less affluent. And those smaller hospitals that don't get the more affluent people have a higher percentage of Medicaid and Medicare patients, meaning there's more pressure on them. You lower those reimbursements and there's a very real chance they will be in financial trouble.

I yield back.

Mr. AKIN. Wow. Well, we're joined by a good friend of mine who does represent a rural area from the great State of Missouri, BLAINE LUETKEMEYER, a gentleman that I have already a tremendous amount of respect for, and somebody who is also going to share a couple of his ideas on this whole ridiculous situation with this government takeover of health care.

Congressman.

Mr. LUETKEMEYER. Thank you, Congressman AKIN. It's good to be with you.

I've had a number of visitors over the last several days that have been talking about the health care bill. It's amazing, people are now starting to sit down and look at the bill, trying to figure out what kind of implications it has for themselves, their business, their families, whatever it may be.

And to follow up on the gentleman from Pennsylvania's comment, yesterday I had a group of rural hospital folks in, and not only is it going to affect the hospitals, it's also going to affect the doctors from the standpoint that the payment schedule can't be made whole so that they can make enough money to keep their doors open. Private practices will be a thing of the past. You're looking at them all becoming employees of hospitals or the government, whichever one is the surviving—I guess the last one standing here. So it's really a challenging time for not only the medical professionals, but also for the businesses as well.

Mr. AKIN. I really appreciate you bringing that point up, gentleman, because what you're really saying is there are a whole lot of question marks out there. It almost seems like to me, coming from our State of Missouri, it's almost like maybe you fall off your roof and you land on the ground and you know you hit pretty hard—you get to be an old geezer like me—and you kind of pick yourself up and say, I wonder if anything's broken. You start reaching around to see what's the damage. It seems like now people are kind of asking the question, what's the damage going to be? You really hit the nail on the head.

Go ahead, I didn't mean to interrupt you.

Mr. LUETKEMEYER. And, again, as you talk to the individuals—and each individual industry is a little different, but I know the fast food industry, I was talking to a gentleman who has 25 fast food franchises from Missouri all the way to South Dakota. He said it's going to cost him about \$20,000 per location. And some of his locations don't

make \$20,000 because they're small towns or smaller locations.

Before the bill passed, he was looking not only at trying to figure out how he could make some more dollars here, but he was looking to expand his operation. He was looking to purchase eight other units from another fast food franchise owner as well as build four additional ones. But now he says, Because of this extra cost, I not only am not going to expand my operation, I'm probably going to have to contract because I can't afford it.

At the end of the day, he's looking at half a million dollars in additional costs. He did nothing wrong. He didn't change his business model, but all of a sudden now, under this bill, he's got another half a million dollar bill that he has to figure out how to—

Mr. AKIN. You're talking about a bill that is actually driving the unemployment worse. It's a bill that's going to create unemployment is what you're saying. That's what this small business owner says. In other words, you're saying he's making enough money as it is now to open additional franchises, but with the cost of this bill, it pushes him under water, which says, I've got to close some rather than open them, and there goes some more jobs. So why in the world are we doing this when we've got an unemployment problem?

Mr. LUETKEMEYER. Well, I think it's pretty obvious, gentleman. I think that we're not about preventing health care in this bill. It's about a government takeover of one-sixth of our economy. It's about control; they want to control that portion of the economy.

Again, I've got another friend of mine who owns three manufacturing plants around the country, looking to open a fourth, but with the uncertainty of our economy, with bills like the health care bill, cap-and-trade, the stimulus package, additional tax increases that are sitting on the back burner right now, he says, I'm not going to open this business; I'm not going to build a new manufacturing plant.

To bring another business example here, I had a group of bankers in yesterday and I asked them, I said, How is your money supply? Have you got plenty of funds to loan out and what is your loan demand? And he said, We have the funds to loan out. The demand is sort of lukewarm right now, but the last five guys we've had come in who wanted to take out business loans were all ready to sign the papers. We had approved them, everything was fine. They're good customers, they're good business people, they decided at the last minute, we're not going to expand. We don't want to do this because we're going to endanger our whole operation if we go down this road. So they actually backed off, and as a result, look at how many jobs we're not providing or jobs that we're killing because of bills like this.

Mr. AKIN. I would like to underline that point. We just had my good friend

from Tennessee talking about what happened when Tennessee did this crazy harebrained idea and how it really messed up the economy in the State of Tennessee. And now you're saying, actually, if I remember right, is that today the President is coming to Missouri to some degree to assure people that he's concerned with unemployment, and yet what you're telling me is you had small business owners going to bankers—I think you had a banking background, is that right, gentleman?

Mr. LUETKEMEYER. That's correct. That's correct.

Mr. AKIN. They're going to bankers, those loans are all set up, and when this thing passes, they go, Forget it, we're not going to expand business that way. And so you literally have people you know in the banking business in the State where the President is visiting today, and they're saying, These people came to us and said we don't want your money because we can't make enough profit on it to pay you back because we passed this piece—you keep coming to the same conclusion that—and I don't mean to beat on this a little bit—the solution to this is repeal. We've got to get rid of this thing.

I am also joined by another good friend of ours, another doctor who has been a stalwart on this from Georgia, my good friend, Congressman GINGREY.

We've just been talking about this tremendous gap between statements that the President is making, and now the gap between what the President is saying and what this Centers for Medicare and Medicaid, the center that's collecting the numbers, is saying totally different than what the President is saying. I just wanted your thoughts on that because you've been very much on top of this bill.

Mr. GINGREY of Georgia. Madam Speaker, I thank the gentleman for yielding.

I think the truth is finally coming out. I guess it's kind of like what Speaker PELOSI said maybe a week or just a matter of days before the vote on ObamaCare. They finally did get that passed, as we all know, by deem-and-scheme and reconciliation and everything that you can think of. It barely passed. But her famous quote was, Well, we need to hurry up and do this so that the American people can find out what's in it. And, boy, was she prophetic. Nothing could be further from the truth—finally.

And I think the gentleman from Missouri is absolutely right: now all of a sudden the true numbers coming out from the Centers for Medicare and Medicaid Services, CMS, are showing quite clearly that this pledge that the President, then-Senator Obama, made I guess back in as late as October of 2008 that if you like what you have you can keep it. Certainly, nothing could be further from the truth for those 11 million, I think, Medicare recipients who get their Medicare coverage under the Advantage Plan. That's cut 18 percent a year over the next 10 years, some-

thing like \$150 billion. That plan is going to go away, certainly.

Mr. AKIN. If you let me just cut in for a second, Doctor, I've actually got that exact quote. Here it is. This is President Obama, June 15, 2009: "If you like your doctor, you will be able to keep your doctor. If you like your health care plan, you will be able to keep your health care plan. No one will take it away no matter what." And yet this center is saying that's not true. Go ahead.

□ 1645

Mr. GINGREY of Georgia. That is the exact quote, and I thank him for having that.

It is exactly what we all predicted on our side of the aisle, and that's why no Republicans could vote for this massive takeover of the health care system—a sixth of our economy. It's part of a grand scheme, of course, and that's why you see people all across this country who are upset, certainly not just Republicans, but Independents and the grass root activists, be they Tea Party patriots or the 9-12 Group or Freedom First or the Doctors for Patient Care. All of these folks have been coming to the people's House, to the Nation's Capitol, over the last year. They are the same folks who were turning out for the town hall meetings last August to whom the Democratic majority, Madam Speaker, just absolutely turned a deaf ear. They came back, and then all they did was change the name and the number of the bill.

So I thank the gentleman for giving me an opportunity to weigh in as a physician Member. There are 10 M.D.'s on our side of the aisle. There have been 31 years of experience for me and many, many years of experience for my colleagues who practice medicine.

Mr. AKIN. How many of those doctors voted for this bill? Of those 10 doctors you just mentioned, how many voted for this bill?

Mr. GINGREY of Georgia. I thank the gentleman for asking.

The answer is nada, a big zero. That is also true for the two Republican Senators, the only M.D.'s, in fact, in the Senate—Dr. COBURN and Dr. BARRASSO.

There is expertise that we had. In the House organization of the Doctors Caucus, of the GOP's Doctors Caucus, there are, in fact, 15 of us—10 are M.D.'s, and there are others who were health care providers in their professional lives. The unfortunate thing is that none of us got an opportunity to try to help. Even though we were knocking on that door, it was never opened.

I yield back.

Mr. AKIN. There was no chance for input or anything else.

My good friend, Congressman LUETKEMEYER, you recently have been elected to Congress. You come from an out-State part of Missouri with a lot of pretty conservative, but Democrats, in your district.

Now, what would they have thought if you had voted, first of all, for cutting

Medicare? Next, you've got a brilliant idea for a tax on wheelchairs, on medical devices and on something which is going to increase the average person's cost to health care and which is going to force the person to go to the Federal Government ultimately to get health care.

What would they have thought of you if you had voted for this thing?

Mr. LUETKEMEYER. They would have literally rode me out of town on a rail. The people in my district are conservatives. Whether Republicans or Democrats, they are conservatives, and they don't believe in government take-overs. They don't believe in governments solving problems that people can solve for themselves. Regardless of party, I think they are appalled by what is going on.

Last night, for instance—and, in fact, today—we have the President in my district. He had a closed meeting with some folks versus an open meeting where the people could have actually spoken to him and where they could have actually listened to what's going on, which is concerning to me because, here in D.C., we hear more lecturing than we do listening from him, and it's unfortunate, because I think there are a lot of people who have a lot of good things to say, and a lot of information could be transferred back and forth.

At the end of the day, I think the folks in my district—and there were 1,100 people at a rally last night in a town of 5,000, and they weren't supporting what the President was doing. So I think that will tell you—and this was in an area that is conservative Democrat by nature.

Mr. AKIN. There were 1,100 people in a town that had 1,000 people?

Mr. LUETKEMEYER. Well, 5,000 people.

Mr. AKIN. There were 5,000. So more than one out of five were there.

Mr. LUETKEMEYER. I think that tells you that there is a lot of concern and that there is a lot of frustration. These are people who are watching what's going on. They don't approve of it, and they want their voices heard.

I think this is the key—that nobody here in D.C. is listening to these folks. They don't perceive what is happening with this administration as listening to their voices, as listening to their concerns, as listening to them when they point out that there are problems with this bill, that there are problems with this thought process, that there are problems with this ideology. They are being shut out just like we are as minority Members. As a result, they're standing up, and they're doing what they can, which is to raise their voices even louder.

So it was exciting to be able to talk to that group last night by conference phone. They're energized, and they're going to be very vocal come November.

Mr. AKIN. Well, I'll tell you that I'm going to be talking to one in another hour or two not very far from my district. I think they've got the same set

of concerns. It's at a place where the President has been visiting, and they're turning out to say, We're not buying this solution.

My good friend from Pennsylvania, are you getting the same kind of sense from your constituents that there is a deep-seated concern for a plan that is just going to put 16,000 new IRS agents on the line to try and monitor whether you've done the right government thing?

Mr. THOMPSON of Pennsylvania. Yes, and not just from my constituents.

When I get home, I am out all over my district. My district is a great snapshot of Pennsylvania because it is actually 22 percent of the landmass of the commonwealth State, so it is a fairly large piece of Pennsylvania, and consistently, people are very conservative. Yet it's not just the people. Their State representatives are concerned as well.

I just received a resolution that is being put forward in the Pennsylvania State House by members of that chamber. It is essentially expressing their concern over this health care mandate. You know, Pennsylvania, with the expanded roles of Medicaid, is expected to have a bill of somewhere in excess of \$3 billion between 2014 and 2019. Three billion dollars.

I've got to tell you that, financially, Pennsylvania is strapped right now. We were the last State to get a budget this past fiscal year, and this year's budget is not going to be much better, I don't think. These are very, very challenging times for States, for a lot of States, not just for Pennsylvania.

Mr. AKIN. Could I interrupt just for a moment and jump in there? I do have specifics on that very point that you've made.

I don't know if you gentlemen were aware of it, but as of today, there are 19 States representing 41 percent of the population—and our State of Missouri is not here, but I know they have this on the burner to do. As of today, there are 19 States, representing 41 percent of the population, which have sued the Federal Government over ObamaCare, which has caused Justice Briar to make the statement: ObamaCare, a good candidate for review by the Supreme Court of the United States.

So it's not just Tennessee. It's not just Missouri. It's not just Georgia. It's not just Pennsylvania. There are 19 States here that are saying something.

Mr. GINGREY of Georgia. Will the gentleman yield for just a second?

Mr. AKIN. I do yield to my good friend from Georgia.

Mr. GINGREY of Georgia. Madam Speaker, I thank the gentleman for yielding, and of course I will yield the time back so the gentleman from Pennsylvania can continue to make his point.

He is right on target in regard to what is happening in the States and in the Commonwealth of Pennsylvania. In the great State of Georgia, we have one

more day, tomorrow. We have a 40-day session, and tomorrow is the last day.

They passed a budget for fiscal year 2011, which begins on July 1 in the State of Georgia, and it had to cut almost \$1 billion. Now, that has been extremely painful, and I'm sure it's painful in the State of Pennsylvania.

Though, I want to commend the Governor of the State of Georgia and my colleagues in the general assembly—a Republican majority in the House and Senate. Madam Speaker, they have made these tough cuts, and most States—I think 47 States in the Union—have this balanced budget requirement as part of their constitutions. If they can do it, why in the world are we sitting here with—what is it?—\$12.8 trillion worth of debt and with a \$700 billion deficit already in this current fiscal year?

I hope my colleagues and anybody who might happen to be listening to us here tonight get what I'm trying to say. This is serious business, and we're not doing our job up here, quite honestly, and it embarrasses me.

I yield back.

Mr. AKIN. Maybe we're doing a bad job.

I want to continue back with my friend from Pennsylvania.

Mr. THOMPSON of Pennsylvania. Thank you.

In terms of Medicaid, I think it's an important area for us to look at in terms of, again, the credibility of what the President said he was going to deliver, of what the Democrats say they are going to deliver and what the reality is in the actions that have taken place here and that will take place. Now that we have these volumes of pages, we will read through them and begin to see what the reality is.

When it comes to Medicaid, there will be 18 million more people on the Medicaid program. Essentially, that means they will have coverage. To me, that means they're going to have cards in their wallets or in their purses which will say they're eligible for Medicaid insurance, which is a form of government insurance. We've already had the discussion of the flaws of it. It pays 40 cents to 60 cents for every dollar of cost today. I suspect that will probably go down. If you include 18 million more people in that program, the pressure that that will put on it will be significant.

We have a problem today. The credibility issue for the Democrats is the difference between coverage and access. The fact is, today, there are 40 percent of physicians in this country who will accept medical assistance patients. That's family practice.

Mr. ROE of Tennessee. Sixty.

Mr. THOMPSON of Pennsylvania. Sixty.

For specialists today, it's 60 percent. It's expected to go to 80 percent.

So they may have coverage, but they really don't have access. If you don't have a physician who is able to accept you or who will see you, then we're not

really providing them access to quality care.

Mr. ROE of Tennessee. Will the gentleman yield?

Mr. THOMPSON of Pennsylvania. I certainly will.

Mr. ROE of Tennessee. You bring up a very, very pertinent point, which is, this year in America, as of the last number I saw, we were training a whopping total of 600 primary care physicians.

Mr. AKIN. You're saying we are training this year 600 primary care physicians?

Mr. ROE of Tennessee. This is for a country with 300 million people in it. Also, 15 percent of the practicing physicians in America today are over 65, and you know what they're going to do when this ObamaCare plan hits.

I've studied the Massachusetts plan in detail. It's a little different than what we did in Tennessee. What they did there was to impose the mandates like they have in this plan. The idea was to spread the costs over more people. Therefore, we were going to hold the costs down, and we'd have fewer people going to the emergency rooms.

So what's going on in Massachusetts?

This is the fourth year that they've had it. It was initiated in 2006, and it's like in Tennessee. You can't spend \$3 billion and not help some people. You do. There is no question about that. No one is arguing that point. In Massachusetts, with the billions of dollars that have been spent, you are going to help some folks because they've included another 400,000-plus people. What the Governor is now doing is recommending that almost all of the private plans' premiums be capped.

Why are they going up faster than they thought they would?

Well, they've added more people to the rolls that they're not paying the costs of, and the idea was we were going to get people out to primary care doctors and that we were going to cut the number of people who would be going to the emergency rooms.

Well, guess what? That didn't happen. Why?

As the gentleman from Pennsylvania just pointed out, Mr. THOMPSON, who is going to see you? That is the problem with this whole plan. The fallacy is: Who is going to see these patients?

Let me just make one final point.

Mr. AKIN. I don't want you to make just a final point, but I'd like you to answer this question:

The Democrat Governor of Tennessee, before this bill was passed, called this the mother of all unfunded mandates. In other words, one thing State legislators hate is when we up here pass some piece of legislation which busts their budgets. Then they have to take the political hit for the fact that we're fiscally irresponsible and legislatively irresponsible.

Now, is this a budget buster for a State?

Mr. ROE of Tennessee. There is no question. In Tennessee, it's over \$1 billion.

The problem with it is that people from a patient standpoint don't understand that, if I've got a card, I've got health insurance coverage. Not necessarily. That's what happened with Senator NELSON in Nebraska. He exempted Nebraska. Then, of course, the final bill that was passed put everybody in, and the States were made whole for the first 3 or 4 years of this plan.

Mr. AKIN. Was that the cornhusker kickback?

Mr. ROE of Tennessee. That was the kickback. Exactly.

Eventually what happens is that it will be an unfunded mandate for the States. They see it coming. They get it. We have a gubernatorial election right now in Tennessee, and it's a hot topic. Who is going to pay this unfunded mandate? We've dealt with it for so long.

You're right. This was a fiscally conservative Democratic Governor who understood. He got it. He had to deal with it, and he asked them not to do that, not to pass this bill. He was very much against it.

Mr. AKIN. Wow.

We've been joined by a good friend of mine, Congressman LAMBORN.

Welcome to the discussion. We're just taking a look at the fact that, you know, you'd think logically: What in the world are these Congressmen doing, standing on the floor, railing about some bill that has already been passed?

Well, part of the reason is there was some truth in what Speaker PELOSI said, which is that you've got to pass the bill to find out what's in it. We're still discovering all kinds of surprises. In a way, that's what we've been talking about tonight—things that the Obama accountants in the Medicare/Medicaid group are analyzing in the bill. They're saying, Whoops. It's not going to bend the cost curve down; it's going to bend the cost curve up, so it's going to be more expensive. Uh-oh, it's going to cost jobs.

Anyway, please join us.

Mr. LAMBORN. Well, thank you. This is a great discussion that you all are having. Thanks for letting me participate for a few minutes.

You raised a really good point, which is that this report has shown that this is going to be a lot more expensive, that it's going to raise taxes, that it's going to raise health insurance premiums, that it's going to make people drop out of the existing coverage they have. They will be thrown into the government plan. This is a CMS report, the Centers for Medicare & Medicaid Services, which is nonpartisan and objective.

What really is outrageous about this report, Representative AKIN, is that they had it over at DHS before we ever had the final vote on ObamaCare. They were sitting on it. Their language now is, Oh, we didn't want to influence the debate.

Isn't that what a report is all about?

□ 1700

Mr. AKIN. Influence the debate with any facts? My goodness, people might not vote for this thing.

Mr. LAMBORN. These are vital facts to have. It really is a lot more expensive. And it is going to raise taxes and throw people out of the insurance they have now than what the administration was claiming. So if we had known this maybe it wouldn't have passed by the four or five votes that it passed by. Maybe it would have failed, and we would have been on a whole different trajectory right now if they had been open and honest about this report that the American people and us as their Representatives should have had access to.

Mr. AKIN. That is really frustrating, isn't it, to basically give people a mushroom treatment. You keep them in the dark, smother them in some sort of a fertilizing material, and we tell them these things: if you like your doctor, you will be able to keep your doctor, period. If you like your health care plan, you will be able to keep your health care plan, period. No one will take it away, no matter what. And yet the report that you are talking about makes it clear that this just flat is not true. So it is a frustrating thing. And in a sense, all of these things are falling out now, and it wasn't so obvious before.

My good friend from Louisiana, Congressman SCALISE, please join us.

Mr. SCALISE. I thank the gentleman from Missouri. And this latest smoking gun that's come out is just yet one more example of why the American people are so angry about what happened with this government takeover of health care, with the way it was rammed through, with all the broken promises.

And you can go back to the very beginning when the President was a candidate. He said multiple times all of these hearings would be on C-SPAN so you could actually have transparency and find out what's going on. In fact, none of that transparency happened. None of those meetings were held on C-SPAN. And now we see this document that comes out conveniently just 2 weeks, 3 weeks after the vote that barely passed by three votes that confirms what we were saying, that this would actually raise the costs of health care for most American families at a time when we should be lowering the cost of health care, like our bill did that we filed that actually would have addressed the real problems in health care. But in fact their bill does the opposite, and now it's confirmed that.

What I really want to find out is when did the administration know about this report? Was this report produced by CMS, a Federal agency, before the vote and then covered up, literally held under wraps so that this couldn't become public until after the vote, when the American people would once again see that yet another promise by this administration on health

care was broken with their government takeover?

Mr. AKIN. That's an incredible question, isn't it, the control of the information, the spin on the whole thing, the promises initially of it being a transparent process, it's going to be on C-SPAN, everybody can watch it, and in fact everything is closed doors.

A couple of our doctors have left, but, Dr. ROE, were you invited to take part in the drafting and putting this bill together? Were you allowed to go into their meetings? I think that's an important question.

Mr. ROE of Tennessee. I am smiling because this actually is kind of funny. What happened, the President last July said he would go over this line by line with any Congressman that would like to go over this bill. So I wrote the President the next day, and then was on Greta Van Susteren three or four times. We contacted the White House by email, by phone, by letter. I guess I was going to have to try a carrier pigeon and smoke signals. But we never did hear one word back.

And the Physicians Caucus, with over 400 years experience, not one of us was consulted in a meaningful way. I practiced medicine, Congressman AKIN, for 31 years in Johnson City, Tennessee, left my practice and got myself elected to Congress to become part of the debate. I was never included in any way whatsoever.

Mr. AKIN. So I guess from what you are saying, a quick summary, 31 years in medicine, you thought maybe you knew something about medicine, decided to take the huge amount of effort to come to Congress so you would have something to say about the debate. And in spite of the fact that you tried everything other than carrier pigeons and smoke signals, the White House refused to honor their promise to let you look at line by line what's going on. So the logical conclusion is you are going to run for President? Is that where we are going?

Mr. ROE of Tennessee. No, that's not where we are going. A couple of things I want to go over I think that our seniors get, and all of us here understand this. One of the things as a physician that bothers me about it, and Dr. GINGREY was here a moment ago, our concern is the quality of care that our patients are going to get. When you take our senior citizens and you cut, the new CMS estimate is, \$575 billion out of a Medicare plan—and remember, beginning next year, 2011, we begin to add the baby boomers at 3 million per year. So in the next 10 years we are going to add 35, 36 million more people to the Medicare plan with almost \$600 billion less money.

Let me tell you three things that will happen. One, you will have decreased access to your doctor. Two, you will have decreased quality of care because you can't get to your doctor. Number three, it's going to cost you more money. The seniors understand that. I understand that. And the American people understand that.

Mr. AKIN. What you just said is so common sense and straightforward. You are going to take how many more people and put them into Medicare?

Mr. ROE of Tennessee. Thirty-six million in the next 10 years.

Mr. AKIN. Thirty-six million more people go into Medicare—now, you don't have to be too much of a wizard on business—36 million people go into Medicare that weren't there before, it's going to cost more money. And then you are going to cut \$575 billion out of the program. So now you are doing two things: one, you are adding millions of people into the program, you are taking billions out of the program, and you are saying, hey, maybe your quality of health care is going to go down. That's pretty straightforward.

Mr. THOMPSON of Pennsylvania. Will the gentleman yield?

Mr. AKIN. I yield to my good friend from Pennsylvania.

Mr. THOMPSON of Pennsylvania. I want to reach back into the past, the Balanced Budget Act of 1997, where similar cuts were made to the Medicare program, because we have been accused of making this things up on this side of the aisle when it comes to rationing of services by our Democratic colleagues. And they just don't know how to deal with the facts. They don't know how to deal with the reality. The Medicare part B cuts have been made. Today in this country we ration health care services. But we ration government health care services.

Medicare part B. My background was rehabilitation services, licensed as a nursing home administrator. An older adult that is going in for therapy, physical therapy, occupational therapy, speech therapy, you are going to an outpatient clinic or into a skilled nursing facility because you have had some type of a disease or disability that disabled you that you need rehabilitation services, did you know that today the Federal Government under Medicare part B rations those services? There is a cap that is placed on how much therapy services you can receive on an annual basis.

I know that because, unfortunately, I was the person that was responsible in my facilities to track where those patients were in terms of that cap. And when they reached that cap, we had to serve them notice and their family members notice that they were no longer eligible for Medicare, for Medicare part B specifically, for those rehabilitation services.

And you think about the people who wind up in skilled nursing facilities, they are the sickest of the sick. These are people who have no other place to go for the type of compassion and care that they need to receive. Yet there is an example of how we ration already.

Going forward, I want to read from a report from the actuary on this Medicare part B so we have that language. This is according to CMS, the Centers for Medicare and Medicaid Services.

Mr. AKIN. This is part of that same report that we were just talking about

that has just now been released conveniently after the bill was voted on.

Mr. THOMPSON of Pennsylvania. After the vote.

Mr. AKIN. Let's get the exact quote.

Mr. THOMPSON of Pennsylvania. The question is for the President, Mr. President, when did you have this report? And why did Congress not have it?

As the actuaries put it:

"Therefore, it is reasonable to expect that a significant portion of the increased demand for Medicaid would be difficult to meet, particularly over the next few years."

They continue:

"For now, we believe that consideration should be given to the potential consequences of a significant increase in demand for health care meeting a relatively fixed supply of health care providers and services." In other words, there will be shortages of both physicians and hospitals. That really amounts to having less access to quality care.

Mr. AKIN. Less access or, as you used the word, rationing.

Mr. ROE of Tennessee. Let me give you just one quick example. You talk about rationing of care. In the State of Tennessee this year, what we did to get control of our TennCare plan was cut the rolls by hundreds of thousands of people. And this year we are going to limit doctor access to 10 visits per year, unless something can be done in the budget, and a grand total of a hospital pay of \$10,000. I don't care if you have a massive wreck and your bill is \$100,000, the State will pay \$10,000. And in rehabilitative services, as of July, right now, unless something changes before the end of the State legislature, there will be no rehabilitative services. If you have a knee replacement, you are just going to have to rehabilitate it on your own because the State cannot afford to pay for it.

That is rationing of care going on right now with the government plan.

Mr. AKIN. Wow.

Mr. ROE of Tennessee. And we just voted to massively expand this plan.

Mr. AKIN. I have not jumped in from a personal point of view because you guys are all experts. I am just the poor sucker that receives the services. I am a cancer survivor. I happened to have taken a look at the cancer survival rates in foreign countries that have socialized medicine. You notice the U.K. survival rate of cancer in men is a whole lot less than it is in the U.S. Well, why would that be? Is it that the cancer technology is different? I don't think so.

I think the deal on cancer is if you've got it, you want to get treated as quick as you can. So what happens in the U.S., you don't have the same waiting line. Now, you start putting those waiting lines in and it starts to affect your statistics of what's going to happen on a disease. That's what we talk about when you all of a sudden hear your doctor say, oh, by the way, you're

doing great, Blaine, but little detail, you have cancer. That kind of gets your attention. And you think, I better get that dealt with right away. They say, well, that's just fine, but you are going to have to wait for, you know, whatever it is. You are going to have to wait 6 months to get treated. You got melanoma, that's probably not a real good idea to be waiting 6 months.

I have a good friend that's a doctor friend of mine, Steve Smith. He has told me that on these kinds of things, you just don't want waiting lines. You just don't want socialized medicine. His advice to me is the same as the doctor friends we have down here, just repeal this piece of junk. That's what he is saying.

My good friend from Missouri, Congressman LUETKEMEYER.

Mr. LUETKEMEYER. I thank the gentleman.

I think at the end of the day everybody understands now what's in this bill. And it's not something that's good for our country, it's not good for our people, it's not good for our business climate. It's impacting everybody in a negative way. And I think the only alternative is to replace and repeal it. I think that at some point we are going to be able to do that. And I think it's imperative that now that we have seen what's in it, and again have another report that's come out that shows it's going to cost more than anticipated, this thing is a boondoggle. It's got to be replaced, it's got to be repealed.

This can't continue because it's going to lead us over a cliff, as the gentleman from Tennessee has talked about TennCare. The Massachusetts plan continues to go over a cliff as well. We are headed over that cliff with our national health care as well.

Mr. AKIN. Thank you very much, Mr. Speaker. I appreciate my colleagues joining me here tonight and for being a part of an important discussion. It is an ongoing story.

THE NEED FOR FINANCIAL REFORM

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

Ms. SPEIER. Mr. Speaker, I am joined this evening by a number of colleagues who are going to give us, I think, the reasons why financial reform is a must in this country. And the biggest poster child for why we have to do financial reform really is in Goldman Sachs.

So we thought we would start our discussion tonight by looking at the principles that Goldman Sachs has promoted on its Web site. There are 14 principles that Goldman Sachs has promoted on its Web site. The very first, and one I would like to start out with, is "Our clients' interests always come first." Well, let's talk about their clients' interests coming first.

Let's speak precisely about one deal, the deal called Abacus. And in Abacus their clients were many people. They had a client named John Paulson, the biggest hedge fund individual in this country. He wanted Goldman to sell mortgage-backed securities that were bad. They were subprime. And he precisely wanted them to sell them to many of their clients, and he was going to short them, meaning he was going to bet against them.

□ 1715

But it just doesn't end there. He specifically designed the package. He handpicked the mortgages that were going to be in the package. And then Goldman sold them to unsuspecting buyers. And lo and behold, what happened? What happened was Mr. Paulson made a billion dollars, and the other clients of Goldman Sachs lost a billion dollars, and Goldman Sachs walked away with \$50 million of fees that were paid to Goldman Sachs by Mr. Paulson. Now, that is the basis of the SEC complaint filed against Goldman Sachs for civil fraud.

So what is civil fraud, you might ask? Civil fraud is, It shall be unlawful for any person in the offer or sale of any securities to obtain money or property by means of any untrue statements of a material fact or any omission to state a material fact necessary.

So the question is, was it a material fact that Abacus was made up of these mortgage-backed securities, 90 percent of which were what are considered no doc mortgages? That means there was no documentation that the people that got those mortgages could pay for them. There was no documentation of income, no documentation of debt. Those were no doc loans. And there was a history of no doc loans going back. So it was fixed from the very beginning.

They were arranged by John Paulson, a material fact that was not disclosed to the other buyers, and it was not disclosed to the other buyers that John Paulson created this because he wanted to short them, because he wanted to bet against them. So if there ever was a case of fraud, I would argue that that was a case of fraud. Yet Goldman Sachs says, "Our very first priority is that our clients come first."

Let's move over here to No. 14: "Integrity and honesty are at the heart of our business. We expect our people to maintain high ethical standards in everything they do, both in their work for the firm and in their personal lives."

Well, there is one gentleman who has worked for Goldman Sachs that they referred to as the Fabulous Fab. He's a gentleman by the name of Fabrice Tourre out of their office in London. Well, I wouldn't suggest to you that Mr. Tourre is fabulous. I would suggest to you that he is fraudulent.

In some of the e-mails that the Senate Committee on Investigations was able to collect, this is what Mr. Tourre

was saying. Now, Mr. Tourre is the individual who was selling these synthetic collateralized debt obligations. He was the one that was doing the work on behalf of Mr. Paulson. So what did he say? He said, "The whole building is about to collapse anytime now." Those were Mr. Tourre's words. He described himself in an e-mail as the only potential survivor, the Fabulous Fab, standing in the middle of all these complex, highly leveraged, exotic trades he created without necessarily understanding all the implications of these monstrosities. He then went on to say in an e-mail in 2007, he described the mortgage business as "totally dead and the poor little subprime borrowers would not last too long." Yet 2 months later, he was boasting that he continued to dump some of the worthless mortgage securities on, and I quote, "widows and orphans that I run into at the airport."

This is a man of integrity and honesty. I would suggest that is not the case.

And, finally, in an e-mail to his girlfriend, he called his Frankenstein creation, these synthetic CDOs, a product of pure intellectual masturbation, the type of thing which you invent telling yourself, well, what if we created a thing which has no purpose, which is absolutely conceptual and highly theoretical and which nobody knows how to price? That's Mr. Tourre, who yesterday when he testified said, and I quote, "I firmly believe that my conduct was correct." That is Mr. Tourre. That is Goldman Sachs.

I would like to now ask my good friend, JOHN YARMUTH from Kentucky, to join me in this colloquy.

Mr. YARMUTH. I thank the gentleman for yielding.

It's a great pleasure to be here today to discuss with the American people the fundamentals of the problem that we're trying to deal with with the Wall Street reform legislation now working its way through Congress.

I had the privilege in the last Congress to be a member of the Oversight and Government Reform Committee when all of this was unfolding, in the fall of 2008 when for the first time people were getting a sense that Wall Street was essentially operating like an unregulated casino. It was essentially the Wild West of finance. And my economics training, as skimpy as it may have been, taught me that the financial system in our capitalist form of government, in our free market, is supposed to help with the allocation of capital in its most productive way so that capital finds its most productive uses. And what we found looking at these incidents as they unfolded back in 2008 and as we have seen even up until the last couple of weeks is that the giants of the financial system in this country, Goldman Sachs, the other major Wall Street financial institutions, weren't guiding capital to its most productive use.

They were guiding capital, hoarding capital, accumulating enormous sums