

encourage economic growth. I know the President talks a lot about jobs and the economy. He certainly is rhetorically, at least I believe, saying the right things out there. But you have to have actions that are consistent with the rhetoric. If you look at the President's record, we have not seen that. The reason we have not seen that is because the policies are all adverse to economic growth and job creation, whether it is regulations coming out of agencies, whether it is the new mandates imposed by the health care reform bill, whether it is the out-of-control spending and debt and no attempt to address the long-term challenges we face there, particularly entitlement reform, whether it is the new taxes that have been imposed through the legislation that has been enacted since this President has come into office. But if you look at the economic record, if you look at unemployed Americans since this President took office, we have almost 2 million more unemployed Americans. The unemployment rate has gone up 17 percent. Fuel prices, which impact everybody's pocketbook in this country, since this President took office, have gone up by over 100 percent, over a 100-percent increase in the price per gallon of gasoline since this President took office. The debt has gone up 35 percent. The debt per person in this country has gone up \$11,000 per person. That is the amount the debt has increased since this President took office. Food stamp recipients are up 39 percent. Health insurance premiums—despite the promises of what health care reform would do to lower insurance premiums—health insurance premiums have gone up 19 percent since this President took office. The only thing that has gone down since he took office is home values. Home values are down 12 percent. That is the economic record. That is the composite record. Of course, we can all say things, but we have to be judged by what we do. We cannot judge people by what they say. We have to judge them by what they do.

I hope the President will decide it is time for him and for his administration and for his leadership to focus on policies that will be conducive to economic growth, that will enable that, rather than make it more expensive and more difficult to create jobs, which are the policies that are being employed by this administration. That applies to so many areas. It is developing domestic energy resources, so we can get more American supply of energy and start driving that price down. So many areas are off-limits. Even more have gone off-limits since this President took office. It means getting trade bills enacted. We have heard now for several years the President talk about how we need to pass the Colombia, Panama, and South Korea Free Trade Agreements. Yet they languish. They have not been submitted to us. We are ready to act. We have said repeatedly these are important to our economy.

I have used this example on the floor before, but just one brief data point for agriculture. I represent an agricultural State, so we are always looking for opportunities to export. In wheat, corn, and soybeans exports, we had an 81-percent share of the Colombia market in 2008. In 2010, that had dropped to 27 percent. We have literally been locked out of that market because this free-trade agreement has languished in Congress and, as a consequence, other countries have stepped in to fill the void. Now you have the Canadians, the Europeans, the Australians stepping in and picking up the slack and we continue to lose more and more market share, which means more and more lost jobs in the American economy. So it is about trade policies, tax policies, energy policies, regulatory policies and spending and debt. Those are the things, in my view, that will get this economy back on track, start creating jobs, create a better and brighter and more prosperous future for future generations of Americans. Unfortunately, the policies being employed by this administration are making it worse, and at least according to this economic record, much worse. We can do better. We should do better by the American people, and I hope we will find the political will to do that.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut.

#### MEDICARE REFORM

Mr. LIEBERMAN. Mr. President, I rise to speak about the fiscal crisis facing our country and specifically the dire financial situation of Medicare, which is a program that matters so much to tens of millions of senior Americans but also adds so much to our national debt. I wish to talk about some ideas I have about how we might effectively deal with this problem in Medicare, particularly, without doing away with the Medicare Program because I believe in it.

If I can start on a broader level, briefly. It is hard to find anybody in Congress in any party who does not acknowledge that our Federal Government is hurtling toward the edge of a financial cliff. We are now running deficits in this year of over \$1 trillion. That means we are spending \$1 trillion more than we are taking in so we have to borrow that money, and at some point we are going to reach a level of borrowing that is unsustainable. It will send our economy hurtling down, will bring us into another great recession, will compromise our ability to provide the security and services to the people of our country that it is our responsibility to provide. To avoid that horrific result, we have to show some responsibility and work across party lines to get some things done. None of this is easy.

Almost everybody will say we have a terrible financial problem in the Government, debt, deficit, but when you

get to the solutions, there has been an outbreak of what I call Federal Government NIMBYism. Everybody talks about NIMBY at the State and local level—Not In My Back Yard; this is a great program, but I do not want it in my neighborhood. The Federal Government budget crisis we are in, NIMBYism seems to be not my program or not my favorite tax credit. You can cut other stuff but not what I am in favor of.

We have one group saying no tax increases whatsoever, even indirect through the elimination of tax credits, which is spending money, and tax credits can be as wasteful an expenditure of the taxpayers' money as a wasteful spending program can be. On the other side, we have people saying: Not my program. You cannot touch it. You cannot even try to make it more efficient. It is just too good or it is too politically popular or whatever. If we keep going down that road, we are not going to get anything done.

The main hope of our result in the next couple months is the small bipartisan, bicameral leadership group that is being presided over by Vice President BIDEN. I think anytime any of us comes out and says: No, we cannot do this, we cannot have a tax increase of any kind, we cannot even eliminate wasteful tax credits, and on the other side people say, we cannot touch Medicare, for instance, it, one, shackles the hands of Vice President BIDEN as he tries to solve this problem, and it also means, more generally, that we are not fulfilling our responsibility. That is the case with Medicare. The fact is, those who say you cannot do anything with Medicare, just will not support it, are not doing a favor to the Medicare Program.

Congressman PAUL RYAN, in the House, put forth his own budget, including a Medicare reform program. I said when he did it, I want to look at it in more detail, but I gave him credit to put something so comprehensive out because it is going to take that kind of guts by all of us to save our great country from going over the edge of the cliff, from going into permanent decline, from making it impossible for our children and grandchildren and beyond to have the opportunities we have had.

When I looked at the Ryan plan, particularly on Medicare, I decided I was not for it. When it came to the Senate, I voted against it. That was the case, generally, when it came up in the Senate and the vote on the Ryan budget. But one cannot just stop there and say no, which is a popular vote on a Medicare reform proposal. I think any of us responsibly have to then come forward with our own ideas. That is why, last week, I indicated in a newspaper op-ed column that I would be putting some proposals forward that will save Medicare, that will protect Medicare as a Government program of health insurance for senior Americans but will change the program. Anybody who

tells you PAUL RYAN is going to kill Medicare as we know it, there is another way to kill Medicare as we know it, which is to do nothing to try to save it.

We cannot save Medicare as it exists today. There are a couple of statistics. In 2010, the Medicare Program cost \$523 billion. The estimates I have seen are consensus, not extreme estimates, that within the next 10 years that number will double to over \$1 trillion for Medicare. Where are we going to get the money to pay for that? That is going to add to the national deficit and the national debt. Part of what is happening is the baby boomers are coming of age and Medicare eligibility—15 million in the coming years coming into this program.

I will give you another general statistic. All the studies I have seen show—most people do not appreciate this, if I can say, the average Medicare participant over their lifetime will actually cost the system in benefits three times what we put in through premiums, withdrawals, et cetera. So this program is on an unsustainable course. I think if you want to save Medicare, you have to be willing to change it. You cannot say do not touch Medicare. I must say I am disappointed when I hear people say that.

Here are some of the ideas I am working on legislation to propose. The plan I outlined last week, and I am putting into legislation, I think will extend the solvency of the Medicare Part A, a big program for hospital care. It will lower the Federal Government's financial commitments to the Part B Program for doctor services and, most importantly, it will keep the Medicare Program alive and serving America's senior citizens for at least 20 years and when we get it estimated, probably by a lot more.

A lot of the proposals I made—and I have five key parts of it—are similar to ones that have been made earlier and the Congressional Budget Office has made estimates on. My guess, applying existing CBO estimates to the ideas I put forward, is they will save \$250 billion in the first 10 years and extend the life of the program by at least 20 years, which is 20 more years in which American seniors can depend on Medicare to help them pay their health care bills in their senior years.

Here is some of what I am proposing. It is controversial. They are all controversial. We cannot save Medicare without doing some things that make people unhappy. I am proposing to raise the eligibility age of Medicare from 65 to 67, beginning in 2014, by 2 months every year until it reaches 67 years in 2025. That would put it on the same course Social Security is on now, to go up to 67, which means if you turn 65 in 2014, you are going to have to wait an additional 60 days before you become eligible for Medicare. In my opinion, that is a small price to pay for the guarantee that you are going to have Medicare to take care of your health costs for the rest of your senior years.

The reason for this change being necessary is factual. When the Medicare Program began in the mid-1960s, the average lifespan of an American was a little less than 70 years. Today, the average lifespan is 78. Thank God. That means people are obviously living longer. Part of why they are living longer is they are getting better health care, but that wonderful fact explains why the average recipient takes three times as much out of the Medicare system as they put in.

I will give you another number that says this in a different way. In 1965, there were about 4.6 active workers for every Medicare enrollee in the program as a senior. In 2005, that went down to 3.8 active workers. The Medicare actuaries tell us, by 2050, that will drop to 2.2 workers for everybody on Medicare at that time, and that means the burden on those 2.2 workers is going to be too high. The current math, therefore, is unsustainable, and it is why we have to change the eligibility age.

According to the Congressional Budget Office, doing so, 65 to 67, will save \$125 billion over 10 years. That is a substantial savings, which will contribute to keeping the program viable and paying bills for seniors.

The other thing to say is that for those who fear what will happen to those seniors between 65 and 67 as they wait—some will have their own health insurance—but we did pass health care reform, and that is going to be there to cover those people through the health care exchanges.

Second, I am proposing that we reform the complex Medicare benefit structure, which is wasteful, misunderstood, particularly by the beneficiaries and a lot of the providers, and prone to overutilization and fraud. That is, prescribing more health services because someone doesn't pay for it, Medicare does—but we all pay for it. The Medicare benefit structure is so confusing and so maligned with various deductibles, copays, cost sharing, caps, fees, forms, and limits that one would be hard-pressed to find a Medicare enrollee who really understands how their insurance coverage works. As a result, there is enormous waste and excess utilization, with services being paid for by the Medicare Program that are really not needed for the health of the individual. That, again, means more costs for the taxpayers.

I think we can fix these problems by implementing a single, combined Part A and B deductible requiring a copay on all Medicare services and, if we choose, we can also do something new, which is create a maximum, out-of-pocket benefit that will give seniors peace of mind. In other words, they would only be required to pay up to a certain amount out of their pockets every year. So it guarantees them that if they have a serious illness requiring long-term hospitalization, they are not going to be forced into poverty or bankruptcy. This proposal was part of the Bowles-Simpson report, and it is a good one.

Third, I think it is time to reform the premium structure. When Medicare was implemented, the premiums paid by the beneficiaries supported 50 percent of the cost of the program. In fact, when President Johnson signed Medicare into law, he noted that this equal contribution—50 percent from government, 50 percent from the insured—was a critical part of the program. He said:

And under a separate plan, when you are 65 you may be covered for medical and surgical fees whether you are in or out of the hospital. You will pay \$3 per month after you are 65 and your government will contribute an equal amount.

Fifty-fifty.

Unfortunately, today, as a result of acts of Congress of various kinds—well-intentioned—Medicare enrollee premiums support only 25 percent of the cost of the program—half of what they were intended to when President Johnson signed this extraordinarily progressive and beneficial law into effect. We make up the difference from funds taken out of our Federal budget—general revenues. That is part of why Medicare contributes to the exploding national deficits and long-term debt.

So I am going to propose that we raise premiums for all new enrollees in Part B, which is the part that covers doctor expenses, starting in 2014, so they pay for 35 percent of the program costs instead of 25 percent. That will result in around a \$40 increase in premiums. The fact is there is some indexing based on income in the Part B and Part D Programs, and, therefore, under the current law, the increase from 25 percent to 35 percent will be paid by more people of higher income. I know asking anybody to pay more money for anything is not popular, but it is needed if we are to address the stranglehold Medicare puts on our annual budget and if we are to avoid something even more unpopular, which is the demise of the Medicare Program as we know it.

Fourth, I think we need to reform the way Medigap policies work. Medigap policies are insurance policies that cover the gaps in a senior's Medicare coverage. They are designed to pay an enrollee's copays and deductibles so he or she would not be liable for a big hospital bill if they ever get sick. But study after study has found that the Medicare enrollees who have a comprehensive Medigap plan that pays all of the deductible and all of the copays, so the individual doesn't pay anything, use as much as 25 percent more services than those with the traditional Medicare Program, and that is because they don't have any impact on themselves for the utilization of services. Again, who pays for that extra utilization of services? Not the individual Medicare enrollee, the taxpayer, and it is not fair.

Fifth, I think we have to increase revenues into the Medicare Program. We just can't save it by adjusting benefits and making changes in the premium structure. So I am going to propose that higher income Americans—in

this case defining it as people making over \$250,000 a year—contribute an additional 1 percent of every dollar of income over \$250,000 to save Medicare as we know it.

That is the outline of my plan. I wanted to come and describe it to my colleagues: We raise the eligibility age; charge a more financially sound premium; address overutilization and waste and fraud; and develop a more reliable funding stream so we can save Medicare, which is a great program, and which we would not save unless we make some tough decisions.

I said earlier I think this proposal will save at least \$250 billion in the first decade and keep the program alive for 20 years. I was encouraged that the very respected Committee for a Responsible Federal Budget said, after I disclosed this plan last week, that they believed it would save as much as \$325 billion over the next decade and reduce spending even more in the following decades.

I offer these ideas as a starting point in a discussion we have to have about how we can both extend the solvency and life of Medicare for the seniors who depend on it and reduce our national deficit and debt, which we will not do unless we reduce the drain on our National Treasury that the Medicare Program now represents. I am going to be drafting this as legislation, and I will circulate it to my colleagues. I hope it is of some assistance to Vice President BIDEN and the leadership group that is working with him as they prepare proposals to get America's ship of state back into fiscal balance.

I know all of these are full of political risk, but the refusal of different parties of Congress to either cut spending on the one hand or raise taxes on the other is exactly why we are in the fiscal mess we are in now, and the more we wait to deal with it the harder it is going to be. At some point, there is going to be such a disaster that we are going to have to both impose draconian cuts in spending and tax increases, and none of us want to do that. The way to avoid that moment is to do it now in a methodical and sequenced, longer term way.

The fact is, unless we take risks together, the great losers—and those risks have to be across party lines. This has to be a moment when we say to each other across party lines: These are tough votes. I can demagogue this vote, I can go after you in the next election based on this vote, but I am pleading with you to cast this vote, and I will cast one that is risky, too, politically, so we can do something good for the country because, if we don't turn away from partisanship and turn toward shared responsibility, the big losers are going to be our great country and the wonderful people who elected us and sent us here to lead. I thank the Chair.

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

(The remarks of Mr. SANDERS pertaining to the introduction of S. 1200 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

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

The PRESIDING OFFICER (Mr. FRANKEN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

#### TRIBUTE TO GERRY COUNIHAN

Mr. HARKIN. Mr. President, when Gerry Coughlin leaves the Senate employment in the next couple of days, we will lose one of the most respected and beloved members of our Senate family. During his nearly two decades of service with the Senate, he has epitomized the professionalism, dedication, loyalty, and the incredible work ethic of the best staff members on Capitol Hill. So we are saying farewell not just to a wonderful Senate employee but also to a very good friend.

Mr. President, Gerry Coughlin first came to Capitol Hill in 1991 as a member of JOHN MCCAIN's staff. He later left the Senate for a brief time, but returned in 1997 as a tour guide in the Capitol Building, where he truly excelled. In fact, Gerry made a bit of history himself. He gave the first public tour following the fatal shooting of two Capitol police officers in 1998. When the Capitol reopened to visitors following the attacks of September 11, 2001, Gerry again led the first tour of the Capitol.

Four years ago, sadly, Gerry was the victim of a violent crime and sustained very grave injuries. He spent over 4 weeks at the National Rehabilitation Hospital. It was a long and courageous struggle to learn to walk and speak again. But he persevered and succeeded.

Unfortunately, Gerry was not able to return to his job as a tour guide because of his injuries, but he was hired by the Sergeant at Arms to work as one of our elevator operators. That is where I and so many other Senators have had the pleasure of meeting him and enjoying his company in recent years.

I can't tell you how many times during late night sessions he has brightened our lives with a kind word or bright smile. I can't tell you how many times he has shepherded us into the sanctuary of his elevator while fending off intrusive reporters or lobbyists. We

have always been grateful to him for that.

No question about it, Gerry Coughlin has been one of those very special people who make the Senate a great place to work.

Gerry is moving on to a new career with new responsibilities and new opportunities at the Department of Health and Human Services out in Rockville, MD. With his departure, we are saying goodbye to a standout Senate staffer, a great friend, and someone who always brightens our day. We will miss him very much.

There are not many things that Republicans and Democrats agree on in this body these days, but our love for Gerry Coughlin is bipartisan and—indeed, I can say this without any fear of contradiction—unanimous. The Senate family joins together in wishing Gerry happiness and success in his new career.

With that, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Ms. KLOBUCHAR). Without objection, it is so ordered.

The Senator from Minnesota.

Mr. FRANKEN. I thank the Chair.

Madam President, I rise today to discuss what I think is one of the clearest threats to Americans' digital privacy and to discuss legislation I think will go a long way toward addressing this problem.

Americans have valued and sought to protect their right to privacy for a long time, and so have the representatives they have elected to be a part of this Chamber. But in the past few decades, there has been a fundamental shift in the nature of our right to privacy and the privacy threats we face. Because when I was young, when people talked about their right to privacy, they talked about protecting themselves from the government—from government intrusion. They asked: Is the government keeping tabs on my political beliefs? Is it staying out of my family business?

Today, we still need to worry about protecting our privacy from the government, but we also need to protect our privacy from private entities—from corporations that are obtaining and aggregating increasingly large amounts of our personal information. Nowhere is that need clearer and more urgent than on the Internet. Within the Internet ecosystem, I would argue that some of the most sensitive information out there comes from our phones.

Smartphones are the future of the Internet and can actually be more powerful than desktop computers from a decade ago. There will be more smartphones sold in 2012 than laptops and desktops combined. There is a reason for that. These are incredible devices. Using a smartphone, a mother or