

Higgins	Miller, Gary	Rothman (NJ)
Hinchey	Neal	Schilling
Johnson (IL)	Nunes	Sullivan
Kline	Paul	Towns
Mack	Pence	Waters
Marino	Platts	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining.

□ 1431

Mr. MCINTYRE changed his vote from “aye” to “no.”

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. PLATTS. Mr. Speaker, on rollcall Nos. 614, 615, and 616, I missed the votes due to stopping to assist at an automobile accident scene. Had I been present, I would have voted “aye” on rollcall No. 614, “aye” on rollcall No. 615, and “nay” on rollcall No. 616.

HOUR OF MEETING ON TOMORROW

Mr. MCHENRY. I ask unanimous consent that when the House adjourns today, it adjourn to meet at 9 a.m. tomorrow.

The SPEAKER pro tempore (Mr. FARENTHOLD). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

FISCAL CLIFF

(Mr. FLEMING asked and was given permission to address the House for 1 minute.)

Mr. FLEMING. For 2 years, President Obama and Democrats have clamored for a so-called “balanced approach” to fix the budget deficit by raising taxes in exchange for entitlement reform. We must reform entitlements. We know that, without reform, Medicare becomes insolvent in just 10 years. Then there’s welfare. For the first year ever, we spent over \$1 trillion on welfare, and food stamp usage is up now to 15 percent of the population. All of this is creating annual trillion-dollar deficits, which, along with anemic economic growth and stubbornly high unemployment, means 23 million Americans still have no jobs.

Now some Republicans say they’d consider a balanced approach, but how much revenue is gathered from the tax increases proposed by Democrats? About \$80 billion a year. That’s barely enough to run Washington for 8 days.

Mr. Speaker, we are less than 4 weeks from falling off the fiscal cliff. It’s time for Democrats to come to the table with something more than job-killing taxes. If they have serious ideas for entitlement reform, the American people deserve to hear them. Unfortunately, Mr. Speaker, the reason we haven’t heard Democrat ideas for entitlement reform may be because they have no plans to cut or to reform entitlement spending at all. This is just another

game from their playbook—raise taxes and increase spending, as always.

CHRISTMAS CARDS AND HOLIDAY CARDS FOR OUR TROOPS

(Mr. POE of Texas asked and was given permission to address the House for 1 minute.)

Mr. POE of Texas. Mr. Speaker, on Christmas Day, most of us will wake up with our families, the smell of Turkey in the oven, and homemade apple pie, but on the other side of the world, there are men and women who will wake up in the middle of the desert who are representing and protecting America’s liberty. Those are our great American warriors.

In 2005, I went to see our troops in Iraq during the Christmas season. Before I left, I asked my staff to get local schoolkids to make some handmade Christmas cards that I could give the troops, and I took about 5,000 Christmas cards to our troops in Iraq and in Kosovo. Every year since then, Mr. Speaker, kids in southeast Texas have been making Christmas cards and holiday cards for our troops in Afghanistan and Iraq and in other parts of the world.

I want you to know that schoolchildren in southeast Texas made 69,000 handmade Christmas cards for our troops in Afghanistan and Iraq and in other parts of the world that will be taken to them this Christmas. I want to thank all of those numerous schools, teachers, and chambers of commerce in southeast Texas.

God bless every one of you for helping our men and women overseas have a better connection with our families and our young people in this country and for letting them know that Texans are thinking of them.

And that’s just the way it is.

Hargrave High School JROTC; Humble ISD; Timbers Elementary; Douglass Learning Academy; KARW; Norma’s Bookkeeping and Tax Service; Haude Elementary; Salyers Elementary; Crockett Elementary; Girl Scout Troop 21157; Tarkington Primary School; Cadette Girl Scout Troop; Goose Creek CISD; Brownie Girl Scout Troop 16253; Spring, 4-H, Girl Scout Troop 26184; Girl Scout Troop 26015; Marauder Composite Squadron; Holy Trinity Episcopal School; Hi Neighbors Group; Ronald Reagan Republican Women; Village Learning & Achievement Center; McAdams Associates Real Estate.

Schochler Elementary; Rikki Wheeler and the Baytown Chamber of Commerce; Operation Independence; Ross Sterling High School; Horace Mann Middle School; Alamo Elementary; San Jacinto Methodist Hospital; Kingwood Middle School; Woodland Hills Elementary; Sterling Middle School; Timberwood Middle School; Beaumont Independent School District; Lamar University; Boy Scouts; Deerbrook Baptist Church; Port Neches Elementary; Chambers County Pilot Club; Neverland Rec. Center; Westbrook High School; Marshall Middle School; St. Thomas Episcopal Church, Beaumont, TX.

□ 1440

ADDRESSING THE FISCAL CLIFF

The SPEAKER pro tempore. Under the Speaker’s announced policy of Jan-

uary 5, 2011, the gentleman from California (Mr. GARAMENDI) is recognized for 60 minutes as the designee of the minority leader.

Mr. GARAMENDI. Mr. Speaker and colleagues and the general public, there has been a lot of discussion in the last several days about what to do with the fiscal cliff. Is it a cliff? Is it not a cliff? Is it a slope? Is it the end of America as we know it, or whatever. But in this debate, there are a few things that are absolutely critical—tax policy, the President has laid it out very, very clearly, as did the election. We’re going to do tax reform, yes. And it’s time for those at the upper end of this wealthy country to pay their fair share. So the President has made it very clear: we’re going to raise the rates on those making over \$250,000 a year. And by the way, we ought to be very clear understanding what that means. That means 100 percent of Americans get a tax break on the first \$250,000 of income. Over that, yes, they’ll pay a higher rate, marginal rate, for that over the top.

Hey, but what I really want to talk about today with my colleagues who will be joining me in the next few minutes is another part of this debate, and that is on the reductions in Federal expenditures. What’s the best way to do it? How are we going to reduce Federal expenditures? There are those that say take on the entitlements. Make the seniors pay more. End Medicare as we know it. Turn it into a voucher program. Or maybe turn it into a premium support program which, as a former insurance commissioner, I know exactly what that means. That means if you’re over 65, hey, you’re going to get to go buy insurance from the rapacious health insurance companies. Good luck. Premium support, just another way to end Medicare as we know it. Voucher programs, another way to end Medicare as we know it.

In the last election, this was a central part of the debate here in America. And it was clear: no way, no how are we going that way. There are others who proposed, well, why don’t we just raise the age to 67? Interesting, very interesting proposal. Well, it will save Medicare a little bit of money, but what does it do to those people who are 65 to 67 years of age? It denies them the opportunity to get affordable health insurance in the Medicare program and simply throws those people off to the wolves, again, to the rapacious health insurance companies. And by the way, those are exactly the people that the health insurance companies don’t want. They’re the people who have higher expenditures. They’re the ones who are beginning to get health issues, so the health insurance companies don’t want them. How are they going to get insurance? They’re going to get insurance at a very high cost, if at all.

And, oh, by the way, there are those that want to do away with the Affordable Health Care Act. In the Affordable Health Care Act, there’s this thing

called the Patients' Bill of Rights. The Patients' Bill of Rights guarantees that insurance companies cannot deny you based upon a preexisting condition. However, they can charge differential rates based upon age. So that notion of somehow saving Medicare by keeping people from getting Medicare is the back way to go, and it is a nonstarter, at least with me and I think many of my colleagues.

There are things that can be done in Medicare, and we're going to talk about those things that we can do here with our colleagues today. We also want to pick up the issue of Social Security. Let's be very clear: the deficit situation faced by the United States is not a Social Security problem. It is not a Social Security problem. Social Security is stand-alone. It is not part of the American deficit. It's an issue that over the years has come back before the American public. The Congresses in the past have dealt with it, extended the viability of Social Security for years and years, and this Congress does not need to deal with this problem this year or even next year in the 113th Congress. Down the road it must be dealt with—and there are numerous ways it can be—but to bring Social Security into the deficit debate is only to cloud this debate and to make it far more difficult for us to find a solution.

Now, my Democratic colleagues and I and the President have made it very clear we understand the necessity of solving this problem and we're willing to compromise. The President has put on the table a very complete, detailed program about how we can deal with the deficit both in the short term and in the years ahead. And we need to proceed with that. Unfortunately, it was just simply dismissed and a new—well, not a new—actually a rebaked, redone, rehashed proposal was put on the table by our Republican colleagues yesterday, one that really doesn't move us toward a compromise. We need to get there. We need to get a compromise under way. So let's see if we can figure out how to do it.

I see several of my colleagues here. I'm not sure which one was first up, but it looks like it might be Florida.

Ms. BROWN of Florida. I'm CORRINE BROWN from Florida, and I'm from the home of Claude Pepper. He was a House Member and a Senator, but he was Mr. Social Security. He was here during the time of Ronald Reagan, and he made sure that Social Security, which was enacted under the Democrats, and I will never forget, Newt Gingrich said that he wanted it to "wither on the vine." That's been their philosophy.

Now, I feel that Medicaid, Medicare, and Social Security is the difference between us and many of the Third World countries. In fact, it has been the bedrock of American politics as far as helping to raise the standards.

You know, many of my colleagues often talk about the Bible. Well, the Bible says—I've never heard them say let's help the rich—the Bible always

talks about the poor and what we need to do to help raise the standards. That's what we're supposed to be doing in the people's House. During the campaign, they constantly confused the American people, talking about the \$715 billion that was in both proposals that was savings, that we put back into the system that helped people that were receiving their prescription drugs. We were helping to lower the cost. In fact, we were plugging the doughnut hole. So that argument is over. And the fact is that it will be 434-1. I will never vote to do anything with Social Security as we speak.

And when you talk about Medicaid and Medicare, many of those people are in nursing homes that cannot speak for themselves. They only have us as their voices. And as we negotiate and discuss, let's look at one group, African American men. Most of them don't live long enough to benefit, and everything is not equal. When we look at jobs and professions, many of you have these nice cushiony jobs, and so we don't even have to worry about raising the age. But when we look at people who actually work for a living, whether we're talking about bridges or whether we're talking about driving trains or trucks, you want to raise the limit for them? So there are many issues that need to be discussed as we move forward.

But when President Clinton was in office, he left this country in the black. The people have weighed in. They've indicated that we want to move forward, put people to work; but we want to do it through a fair method of doing it, and that is not cutting programs that impact the working poor in this country.

Mr. GARAMENDI. Well, you're absolutely correct about that. The proposal to cut Medicare benefits is a nonstarter. There are things that can be done in Medicare to reduce the cost, and much has already been done.

I would like to ask my colleague from the great State of Michigan to join us. Mr. CURSON is a new Member of Congress, came in a special election about a month ago. Welcome. We are delighted to have you join us.

Mr. CURSON of Michigan. Thank you, and I agree wholeheartedly with what's been said so far, and what I really want to say is Medicare is run more efficiently than nearly any insurance company in the world.

□ 1450

They devote less than 2 percent of its funding to administrative expenses, and you compare that to a private insurance company that costs up to 40 percent of premiums for individuals and small group plans for administration and to pay their executives six- and seven-figure salaries to do the same thing that's administrated by Medicare officials.

Also, the attempt to move Medicare eligibility from 65 to 67 sounds like an easy fix. Well, not only, as was spoken

earlier, the recipients, those people that are 64, 65, 66, going into that category are people that possibly are already struggling, lost their jobs, they need that health care, they have a pre-existing condition, and now their very life is threatened having to wait that much longer.

We all look to take care of small business and private insurance funds, such as VEBAs and those types of institutions that money is forecast to pay for various health care, and you stretch out 2 more years of their coverage, small business now has to pay higher premiums to cover those employees that last those 2 more years. And they either have to make a choice: They reduce what they give in coverage or they eliminate it altogether, or they shift those premium costs to the worker. It's happened over and over and over again, and we need to avoid that in this coming legislation.

Mr. GARAMENDI. Mr. CURSON, thank you so very much for your thoughtful discussion of the age issue—it's a profoundly important one—and also bringing up the issue of what is the cost of Medicare administration compared to the private health insurance companies. You're quite correct. Medicare is a very efficiently run program, very efficient in collecting the money and paying the bills, far more than you would ever find in the private health insurance sector, perhaps by a factor of 4—3, 4, maybe even 5 in some cases. Also, Medicare has had an extraordinary run of keeping the costs down.

I'd like now to call upon Mr. JOE COURTNEY of Rhode Island—Connecticut. I've made two mistakes today about my colleagues' locale.

JOE, it's yours.

Mr. COURTNEY. Thank you, Congressman GARAMENDI. And I realize there's congressional districts in California that are probably bigger than Rhode Island and Connecticut combined, so I won't hold it against you too hard.

Thank you for taking time on the floor today to spend some time talking about Social Security, Medicare, and Medicaid. This really is the moment of truth right now.

Yesterday, the Republican leadership came out with their package in terms of trying to deal with the so-called fiscal cliff, and even though, for months, they have not really fleshed out with great detail where they wanted to see savings, yesterday they did. They came out with a proposal which talked about raising the eligibility age for Medicare from 65 to 67.

They talked about recalculating the cost-of-living-adjustment for seniors who are on Social Security. It's the so-called chained CPI, which would lower the year-in and year-out increase for people on Social Security in terms of keeping up with the cost of living.

These proposals really need a full, vigorous debate before the American

people before we move in that direction, which I would argue, and certainly you and others here this afternoon, would be the wrong direction for middle class and working family Americans.

You know, in terms of Medicare, I think it's really important, historically, to review how Medicare came into existence.

In 1965, when it was signed into law by President Lyndon Johnson on the porch of Harry Truman's house in Independence, Missouri, only half of America's seniors had any insurance whatsoever. Because of age, because of pre-existing condition, because the insurance company, frankly, just viewed them as too high a risk, and because of cost, only half of America's seniors had any insurance whatsoever. Life expectancy in America in 1965 was 70 years old.

With that stroke of a pen by Lyndon Johnson, the genius of Medicare was created, which created a pool for people above the age of 65 and people on disability, a pool which could spread risk out and make the challenge of covering people at that age much more manageable. And for the following 47, 48 years, we have had a system which now has brought life expectancy for Americans up to age 78. In other words, having people in a situation where they can access needed medical care, in fact, lengthened people's lives and, in some instances, actually added to the economy because some people even continued to work, to a degree, who are on Medicare.

It has really accomplished its mission which was visualized the day that President Johnson signed it into law. It does face challenges. There's no question that demographics, with the baby boom coming on the horizon, is going to increase the number of people in the program, but the way you solve that problem is just make it smarter and more efficient.

When President Obama signed the Affordable Care Act in March of 2010, last year there were some really solid, smart changes that were made to the Medicare system to make sure that the cost per patient would be moderated, but not that it would cut benefits or kick people off the program, which is what the Republicans are proposing to do, saying people who are 65 and 66 would no longer be eligible under their proposal.

This chart which I brought along with me this afternoon is based on Standard & Poor's Dow Jones Index, which tracks the Medicare program every single month in terms of per capita spending, and it shows, again, back as recently as 2005, 2006, per capita expenditure for Medicare was actually quite high. It was over 7 percent per patient, and that, obviously, is an unsustainable level under almost really any circumstance, but over time it moderated.

And then this red line shows the day that President Obama signed the Af-

fordable Care Act, which put a number of really intelligent changes into Medicare, promoting preventive care services, prescription drug coverage, making sure people will get their colonoscopies and their cancer screenings, and also saying to hospitals, hey, if people show up at your emergency room 30 days after you just treated them, we're going to penalize you. You've got to do a better job of monitoring care in the community. And that change, by itself, is already promoting a lot more collaboration on a much more cost-effective, better way for people.

Who wants to be in an emergency room? You want to be home with your care being provided, not sitting, again, in a hospital room waiting for life-or-death treatment.

So since that date, when President Obama signed it into law, the per capita growth rate under Medicare is now down to its lowest level in the history of program—2 percent per capita growth. And the fact of the matter is we can do more. We can actually build on that success of the Affordable Care Act.

Anybody watch "60 Minutes" on Sunday? They had a story about a hospital system which basically was threatening to fire doctors if they didn't admit patients according to certain quotas because they're, again, chasing that fee-for-service incentive that is in old Medicare. I mean, those are the kinds of, in that case, fraud, but in other instances, you know, changing that fee-for-service incentive can actually bring this number down even much more dramatically, and we don't have to touch a hair on the head of any Medicare-eligible senior in America for decades to come if we make those smart changes.

So the fact of the matter is we're seeing great progress just, again, in the last 2 years, 2½ years. And the fact is that there are very good ideas about ways of making the system much more efficient.

And I will tell you, and I know my Members that are here on the floor will agree with this. When you go and visit a hospital or when you go and visit medical groups, the changes in electronic records, the changes in terms of incentivizing preventive care have been embraced by the medical community. They actually understand how wasteful the high volume fee-for-service system is in terms of just not only taxpayers, but also the resources that are precious and should be really allocated to all Americans, not just those who have good insurance that can reimburse for those procedures.

So the fact of the matter is we can do far better than kicking 65- and 66-year-olds out of the system as a way of protecting Medicare solvency, and that should be the direction that we go with these discussions over the financial future of the public finances of this government.

Again, I want to thank Mr. GARAMENDI for organizing this discus-

sion here today because it's important to get these facts out.

Mr. GARAMENDI. Mr. COURTNEY of the great State of Connecticut, thank you very much for bringing this information to us.

Your chart is a dramatic one, when you consider the period of time and the extraordinary reduction in the inflation rate in Medicare. If you had another line on that showing the general inflation in health care for the general population, it would actually be above Medicare, that entire slope all the way down.

□ 1500

And it's significantly above it. So what's happened—in part, I think, you're correct; there may be other forces involved here, but certainly you can see the effect of the Affordable Health Care Act. And you identified very well some of the critical cost savings that are in that. And it's well worth repeating it, which I will do with you. And we ought to go back so the public comes to understand what was in the Affordable Health Care Act.

For those over 65 that are in Medicare, those changes are critically important. First of all, stay healthy. If you want to save money on hospitals and doctors, stay healthy. And so you have an annual wellness visit. I think something like 50, 60 million Americans have been able to take advantage of that free annual visit. You've got high blood pressure? Well, let's take some blood pressure medicine. You're headed for diabetes? Here's a dietary program or exercise program. We can deal with those. You keep people out of the hospitals. The hospital infection rate, the other one you talked about, very powerful. I hear from hospitals in my district, and I'm sure my colleagues do also. They don't want that readmission because that comes right out of the hospital's pocket. And also there's a penalty.

So there are many, many issues here that are involved in the Affordable Health Care Act that have caused that slope downward to continue. Enormous savings to Medicare. Because when you look at the Medicare issue, it's a projection for 10 years. And the projected rate 2 years ago was 5, 6 percent. And where are you, down in the 2 percent range now? Those are multibillion dollars a year the American public will not have to pay in taxes and increases in expenditures. So these things begin to add up. But there are many, many more savings.

I don't want to dominate all this time. I see that other of our colleagues have come and joined us.

PETER WELCH from Vermont.

Mr. WELCH. Thank you. This is such an important issue about the future. We can get a deficit deal. The President is committed to doing it. It's got to be balanced. Balanced means there's got to be revenues. Our taxes, especially from the high-income, are at historic lows. We have to have health care

reform, and that can get the cost of health care down, bring that rate of growth of spending down.

In Vermont, that's what we're trying to do. We're a single-payer State. We're trying to move towards a single-payer. And the reason is that it's the best way to get our arms around health care so you can continue the access. And we know that there are reforms that we can make in Medicare. Just for example, if we purchase drugs wholesale, why do we pay retail? In the VA and in Medicaid, the government is a big purchaser and it negotiates price discounts with the pharmaceutical companies that are quite eager to sell their prescription drugs to Medicare.

Mr. GARAMENDI. If I might interrupt you for a moment. Under the current law, the U.S. Government Medicare program, it is prevented by law.

Mr. WELCH. It's illegal to be a smart shopper. That's exactly right. You can't make that up. It's illegal. It would be like telling you, if you went into CVS to buy some aspirin, and you knew you were going to use them for a year—you had a family, if you wanted to buy the bottle that had 100 and the per unit price is one-third of what it is if you're going to buy the bottle of 20, it would be illegal for CVS to be able to sell it to you at a lower price per unit. That's what we have in Medicare.

Everybody understands you've got to pay for what you're going to get. But the fundamental debate here—and this is what was reflected in the Ryan budget with the voucher plan—is: are we going to try to address what are obvious failures in the system of the delivery of health care, like not allowing for prescription drug price negotiation? That would save \$165 billion, and it wouldn't cut a single benefit. Or, are we going to go allow that system that makes no sense continue and instead take \$165 billion worth of benefits out of Medicare so that if you go to the doctor, they may treat you for a broken wrist but not a broken forearm. It doesn't make sense. And it certainly doesn't make sense to start talking about benefit cuts before you have the system reform and can get savings that are literally right on the table in front of you.

So we can deal with this debt situation that we have in this country. It is serious. Democrats understand that. The President understands it. It's a serious problem. It's a solvable problem. But to solve it we have to have a significant contribution from revenues. The top 2 percent can afford have their taxes go up to the Clinton year rates. That's number one. And number two, we can have reforms in health care that would benefit not just Medicare sustainability but health care expenses, whether you get your health care at work through your employer or whether you're a private-pay person.

The nice part of this is that we are all in it together. Thank you for doing this. We can solve this problem. And let's do it.

Mr. GARAMENDI. Mr. WELCH, we will do it.

Mr. COURTNEY from Connecticut has some ideas about other things that we can do.

Mr. COURTNEY. Again, I think it's important—and you touched on this, JOHN—when the Affordable Care Act was passed in March of 2010, the Congressional Budget Office was projecting out some savings because of the ACA. But they were figuring about 4 percent per capita growth. Again, as you pointed out, this chart now shows we're down to 2 percent. So they have actually been revising their estimates over the last 2 years. And the net savings, the recalculation just in the last 2 years has been hundreds of billions of dollars of lower expenditure than they had first thought was going to be the case.

When you compare that magnitude of savings with, for example, raising the eligibility age to 67, they're dwarfed. It is really just a small portion of what efficiencies in the system are capable of producing. And the fact of the matter is that raising the eligibility age, there's no free lunch. The fact is that even though these are people that will be challenged in the private insurance market, 65 and 66 are still the healthiest population within the Medicare pool. So the ones who remain in Medicare, their part B premiums are going to go up. And that's not just me saying it. It's the Kaiser Family Foundation, which analyzed the impact of raising the age to 67. You're going to raise premiums. You're going to, obviously, leave people in a horrible situation in terms of trying to find any insurance. In the private market, which you regulated, you know that is the roughest area of older working-age individuals. And the net effect in terms of overall health care costs in terms of the system is zero. In fact, there's some that would argue that it would actually add cost to the system.

Mr. GARAMENDI. I think it really would add cost. We discussed earlier that the Affordable Health Care Act has a very powerful cost-saving mechanism called Staying Healthy. And that is the prevention programs. If you move that age from 65 to 67, you're going to have a significant population of seniors who will not have access to that preventative medicine program. It's not going to be there for them. So the potential for them to develop long-term, debilitating diseases increases. And when they get to Medicare, they will be much more expensive, to say nothing of what happens to them during that 2-year period when they can't get to Medicare.

You said something earlier on and I'm going to go back to this. You talked about what happened before Medicare—the 50 percent of the population of seniors without medical insurance, the poverty rate. When you said that, my mind flashed back to when I was a young man in the 1950s—actually, not even a teenager—my dad

took me to the county hospital. We were ranchers out in the boondocks of California, and nobody had insurance who was in their senior years. The county hospital sticks in my mind as the reason for Medicare. It was beyond horrible. There was just a row of beds, the most horrible odor in that ward—people dying. It was so compelling.

And today, there are issues out there. But we have seen the population of seniors healthy, living longer—20 years longer than they were just 45 years ago—50 years ago now. This is so important to seniors. And it is the Democratic Party that has stood for Medicare all of these decades. And we're not going to let it go. We're not going to let Medicare go. It is a foundation of our humanity and our compassion as Americans for all because all of us want to live long enough to get into Medicare.

Reforms are possible. We've talked about several of them here today. I know that our colleague from Michigan spoke earlier. If you'd like to come back in and talk about this, we'd welcome you. We'll go back here for a little longer.

Mr. CURSON.

□ 1510

Mr. CURSON of Michigan. Well, again, as we talked earlier, it seems to so many in the public that moving that age—particularly young Americans—that just going from 65 to 67 doesn't mean a lot; but if you look at the statistics of age in this country, that's the baby boomer generation. That's the greatest population this country has ever had is right in that area. I'm part of that, I'm 64. So many of my friends cannot wait 2 more years for health care. They can't afford the out-of-pocket. Some have preexisting conditions. Without question, if we move this, it will be a sentence of death for many, many Americans who won't be able to get the health care that they need.

As I went through and campaigned—I come from a district that was 60 percent Republican—it didn't matter what forum I was in, what group I talked to. There was no great calling to change Medicare, to take benefits away, to raise the age. There was a lot of calling to take the corruption out of Medicare, to take the phony doctors and the phony bills and other systems. This is what we talked about: not having the ability to negotiate prescription drugs; millions and millions and millions of dollars just to make that part of the system competitive. We can't do that by law; that's ridiculous. Those are things that easily we could go in, we could do, and we could make the system much better without touching a single benefit for any American.

Mr. COURTNEY. You're mentioning the fact that there may be some young folks out there who might be of the belief that this is really not a big deal to bump that age up 2 years. The fact of the matter is that some of the folks who, again, analyze the impact of raising the eligibility age say that it would

spill over to young Americans, and here's how:

There are a lot of private employers that have health insurance plans that when people hit retirement age, 65—or their hoped-for retirement age—they are able to, again, move into Medicare. They come off their employment-based plan, maybe get some supplemental coverage as part of their retirement package. But the fact of the matter is that helps move people out of the workforce at an appropriate age of 65 and opens up jobs for younger Americans. To the extent that you now are going to say that Medicare won't be there until age 67, it, frankly, is going to force a lot more people to stay in the workforce longer than I think really most people believe would be the case today. So, in fact, it would create that job lock that would prevent, again, the workforce to continue to refresh itself with young Americans.

So the fact is that having a solid retirement health insurance plan like Medicare helps young Americans because it, again, allows the workforce to continue to circulate people, older Americans out and younger Americans in. That's why, again, the folks who had the genius to have the strength to pass Medicare in 1965, they solved a lot of problems in the U.S. economy, in the U.S. society that really extended far beyond just the patients who that program covers.

Mr. GARAMENDI. Well, there are certainly a series of things that we know we can do to reduce the cost of Medicare. Some of those are already in place. They've been brought forward by the Affordable Care Act. Others are yet to be done. The prescription drug issue is out there, enormous savings, \$160 billion or \$150 billion right there over a 10-year period.

The fraud in the system, some of that was dealt with with the Affordable Care Act, but there's much more that can be done. There are fraudulent billings for durable medical equipment as well as other kinds of services that are provided. Those need to be addressed. The systems that are being put in place, that is, moving away from fee-for-service, will significantly address that.

In the area of hospitalization, again, there are programs that are viable, that are not yet implemented, that are not part of the savings that have already been calculated, for example, programs on the dual eligibles. The dual eligibles are those people that do not have sufficient income, but are already quite ill that may be 20 years of age, and they're getting Medicaid as well as Medicare. There are savings that can be found in the way in which we organize that.

For those seniors that are on Medicare, an organized health care system that keeps them healthy, that is, taking the prevention program a step further, or two or three steps further, so that there is a continuity of care and there is a follow-up, maybe a social

worker or simply somebody on the phone saying how are you doing; are you taking your medicine; are you able to get the food that you need so that people can stay healthy. A healthy population significantly reduces cost.

The use of the Affordable Care Act—not just for Medicare, but for the total cost of the system—has a very, very powerful cost reduction in it; and it's called “insurance.” Forty million Americans are going to be insured. That means that those people are less likely, far less likely to go to the emergency room to get their care.

The Affordable Care Act also provides for clinics. Where a private doctor may not be available, a clinic would be available. So all of these things provide more care to people and, in doing so, reduce the cost of the extraordinarily expensive care that comes from when people don't get continuing services of health care.

So Medicare is a huge issue before all of us. On the Democratic side, we're saying, yes, there are savings available in Medicare, we should take advantage of those, but we're not going to cut benefits. And we're not going to privatize Medicare or end Medicare as we know it. There are other things that we can do, we're willing to do it; let's compromise on those things that make sense without destroying the Medicare program.

Not on our watch are we going to see the benefit package reduced in such a way as to harm seniors—no way. And no way are we going to end Medicare as we know it. We'll draw a line in the sand; we'll save the money; we'll put that cost curve even on a better trajectory, and that is a very, very formidable and positive trajectory there.

Let's spend just a moment of time, as we come towards the end of our time, on Social Security, which many people—well, not on the Democratic side, but let's talk about Social Security and should it be on the cutting table here, should it be part of the deficit reduction.

Mr. COURTNEY.

Mr. COURTNEY. Well, again, what's remarkable—and I know both of you are well aware of this—is that Social Security, over the last 3 or 4 years, 2 out of those last 4 years there was no COLA; there was zero percent increase for seniors on Social Security. Again, as we all know, that's a formula that's tied to the Labor Department basket of goods that they spill out every year since the 1970s when COLA was first enacted, and where the economy at that point produced that result.

Now, the last 2 years there have been moderate increases through the COLA formula; but, again, Republicans want to go deeper. They want to come out with a new cost-of-living adjustment formula called the “chained CPI,” which would depress the existing COLA formula that already ended up with a zero percent 2 out of the last 4 years and make that even lower for seniors.

As I think many of you know, you go to a senior center and you talk about,

how come we didn't get a COLA this year or how come the COLA is so small, and you explain to them how the formula works. Well, the fact of the matter is that Labor Department formula that we use today uses a lot of goods and services that seniors don't buy. They don't buy flat screen TVs, they don't buy laptop computers, where prices have come down because of competition in those areas. They concentrate their spending on food and fuel and prescription drugs, which, if you look at just that basket of goods, the COLA would be higher than the existing formula, certainly not lower.

So for the Republicans to come out with a proposal that says we should depress the COLA formula that we have today that, again, really doesn't match up with the profile of what a senior goes out to the supermarket and buys one week to the next, and is really going backwards in terms of really the economic security of people over age 65.

I know the gentleman from Michigan would like to share his thoughts.

Mr. CURSON of Michigan. Well, I think the great majority of our citizens don't understand that Social Security is not funded by tax dollars. The confusion lies because over the years the contributions made by workers to fund Social Security created a surplus. With that surplus, they loaned that surplus to other government-funded projects, and they're being paid back with government money. That government money every year is now playing into the repayment. That's why people think that you can cut Social Security to take the tax dollars out.

□ 1520

Well, if that was a private insurance company that had a surplus and loaned that surplus to another company, that first company would expect the second company to pay it back. So that cannot be part of this equation. Social Security and the Federal money that goes into Social Security cannot be part of the equation in this fiscal cliff debate.

Now, certainly with the expectancy of Social Security only surviving until 2038, before it has reduced benefits, in the very near future, this great Hall has to discuss how to fix that; and all the great minds in this Hall, I'm sure, can. But it does not need to be a part of this debate. This should not be a part of whatever legislation we settle in this last lame-duck session of this Congress.

Mr. GARAMENDI. Well, you are certainly well stating my position and I believe the position of our colleagues and I believe of the President. Social Security is not part of the current deficit problem. It is an issue. We'll have to deal with it at any time between now and the next 7, 8 years. And we can. It's been done before.

At least three times in my memory, Social Security has been adjusted. One was discussed earlier with the issue of

the COLA. That's been adjusted. There are things that can be done to deal with Social Security, but that is a debate separate and apart from the deficit and the fiscal cliff debate.

The fiscal cliff debate is a tax issue, and it's also a spending issue. Today we focus largely on the issue of what are we going to do about Medicare, a big part of the Federal expenditures. And our argument is this: we're here to protect Medicare for seniors, period. We're not here to cut the benefits for seniors. We're here to see to it that Medicare, which has been a program for seniors since 1964–65, is going to continue to be there for seniors as well as the benefits package that's there. There are reforms and changes that can be made to reduce the cost of Medicare but not to reduce the benefits. We've talked about many of those.

So here's where we're coming. Within that area, there are very, very significant savings that can be made. The prescription drug benefit, \$150 billion over 10 years. Other issues having to do with keeping people healthy, to extend their health care, issues having to do with how much we pay for certain services, fraud and abuse. All of those things could add up to the potential savings—not the potential savings—to the savings that the President has called for, which is somewhere in the range of \$300 billion over 10 years—additional savings over and above what has already taken place in the Affordable Care Act. And we've seen in this decline in the inflation rate in health care some of the effects of the Affordable Care Act. So there are things that can be done and will be done.

Social Security is not a part of this debate.

But I also want to point out here in the last closing minutes of this a couple of things that I think are very, very important. The President has put forth a very detailed program calling for \$1.6 trillion in additional revenue over 10 years; and that is money that is to come from the expiration of the George W. Bush tax cuts for the top 2 percent.

Now I want to make this clear. I said this earlier—yes, it's worth repeating because it's not said very often—every American taxpayer gets a tax reduction. The superwealthy to the very minimum taxpayer in this Nation gets a reduction in what the President is proposing. And that is to continue at the current tax rate for those with under \$250,000 adjusted gross income. For those who have income over and above that, they get that tax reduction. And above that, they're going to pay an additional amount up to 3.9 percent in two different tranches. So everyone gets a tax break.

But those superwealthy, the 2 percent, they're going to pay more, and that will amount to a substantial amount of money over 10 years. And, frankly, they've had 12 years of really low, low taxes—the lowest taxes, really, ever since the 1930s.

The President has also proposed something that's very important. We

talked about this last week. I want to talk about this again the next time we come here. And that is, how do we grow jobs? How do we put people back to work?

The President has proposed an additional \$50 billion. He did this more than a year ago in the American Jobs Act, and he's put it back on the table: \$50 billion in infrastructure. Let's build the foundation. That deserves a lot of discussion; and, frankly, it's something we ought to enact here right away and put people back to work.

There are other savings that he's proposed over the course of the next 2 years. We don't have time now. I notice my time has just about expired, if you would like to take a final shot at this, Mr. CURSON.

And by the way, this is the first opportunity I have had to spend part of my hour with you. You are a very articulate spokesperson for the working men and women in this Nation. You know the issues of Medicare and Social Security so very, very well. And I know, coming from Michigan and Detroit, you know the need to build the jobs portion of our economy. So why don't you close, and then I will wrap this up.

Mr. CURSON of Michigan. Thank you for that, and I thank you for your comments.

But without a doubt, we could take an hour talking about rebuilding the infrastructure, the jobs it would create, the need in America to fix our bridges and our roads. If you are about to drive over a bridge, you want it safe. It doesn't matter if you are a Republican or a Democrat, you want that bridge to hold you and your car up as you go over it. That needs to be done.

Much of our infrastructure is crumbling. The power grid is crumbling. If it goes out, it doesn't matter what party you are affiliated with. You want your lights on; you want your refrigerator to work; you want your house warm.

So all of those things that could be done and would put America back to work and create revenue from people working, when they get that paycheck, then they would have money to send their kid to a dance class or to go get a haircut. All the small businesses in the area spawn off of that money from creating jobs, rebuilding our infrastructure. That should be on the forefront of our agenda, and I certainly hope we have a chance to talk about that.

Mr. GARAMENDI. How about next week? We'll come back to the floor next week, and we'll pick up the issues of infrastructure, of jobs and the like.

This week we need to focus on what has been put on the table by the Republicans and the Democrats on how to deal with the fiscal cliff, dealing with the issue of Social Security and Medicare. Social Security—no, not part of this problem. It is something we'll deal with perhaps in the next Congress or even in the one beyond that because we do have time to deal with Social Security.

Medicare—for those who want to privatize Medicare, end it as we know it with a voucher or a premium support program—no. No way, no how are we going to go there.

For those that want to work on changing the way in which Medicare operates to get savings, such as negotiating drug prices, dealing with fraud and abuse, the various payment systems that are in Medicare, all of which can save money and to continue the work of the Affordable Care Act, and the way it has already brought the inflation rate down from the 4 percent, 5 percent range down into 2, 2.5 percent range, this is an extraordinary savings right here. And that will be calculated in the years ahead. And, frankly, this will add up to hundreds of billions of dollars in the reduction and the projected cost of Medicare in the years ahead.

So we're making progress. We've got work to do, and we're prepared to do it. The Democrats are prepared to put together a compromise. Let's get to work on it. The American public expects us to do that. And we can, and we will.

With that, Mr. Speaker, I yield back the balance of my time.

IMMIGRATION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from California (Mr. DANIEL E. LUNGREN) is recognized for 60 minutes as the designee of the majority leader.

Mr. DANIEL E. LUNGREN of California. Thank you very much, Mr. Speaker.

I take to the floor at this time to talk about an issue that is of the utmost importance to this country, one that I have worked on for several decades, and one that has an urgency to it that cannot be denied, and that is the issue of immigration.

It is a multifaceted issue, one that has a number of subtexts to it but, nonetheless, is one that will not be confronted. The challenges will not be met unless or until we recognize the problem or the challenges as they truly exist.

And what I mean by that is this: immigration, in all its aspects, is a part of the heritage of this country. Immigration is one of the cornerstones of this Nation. It has been said—and I think it is true—that this is a Nation of immigrants. And what that means is that most of us, with the exception of those who are Native Americans, trace our ancestry to some foreign country, some foreign shore.

□ 1530

The rate of immigration has gone up and down over the two-plus centuries of the existence of this country. It has varied in terms of where the greatest numbers come from over the centuries. It has resulted from and has been altered by decisions made by previous Congresses and Presidents in terms of