

problem, a fiscal problem for this government, for our country. But the problem is that when it was laid out, the amount of people who were then thought would go on the plan was much lower than is actually going to be the case.

Again, I think what you are going to see throughout our Nation, if this bill stays in place as it is, is a massive exodus by private employers from the health care business. What that is going to do is put them on these public exchanges with the subsidies, and, in fact, what it is going to do is drive up the cost even more than people ever anticipated.

So this is my point. There is going to be a Supreme Court judgment this June. None of us knows what it is going to be. We have pundits on the left who say they are confident the bill is going to stay in place. We have pundits on the right who say they are confident, constitutionally, it is going to be overturned. We will have an election in November that may change the course of history as it relates to this bill.

Even if those two events have no effect on this bill, I wish to come back to my base premise, which is that there is no possible way this bill is going to work as it was laid out during the debate. There is no way the projections that were laid out as to what the cost of this bill is going to be are going to be what the actual costs are.

What I say is, regardless, this body is going to be pressed with replacing this legislation with something that makes common sense. There was actually a lot of bipartisanship, prior to us passing this piece of legislation, about what those commonsense measures should be. We ended up instead with something that was far more sweeping, something most Americans find offensive, something that, no question, will cause this Nation tremendous fiscal distress.

My point is, yes, we are going to be watching this June as the Supreme Court rules. Yes, we are going to pay attention to the elections in November. Regardless of those outcomes, it is my belief this body will have to come together and put into place a different piece of health care legislation that actually fits the times and the American people and allows the freedom of choice the people are accustomed to and is built on premises that will cause our country to be fiscally sound. I stand ready to work with people on both sides of the aisle when that time comes to make that happen.

I yield the floor.

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

Mr. COCHRAN. Mr. President, the harsh realities of the health care reform law are coming home to roost.

My State is bracing for the impact of the so-called affordable care act.

Under the health care reform law, enrollment under an expanded Medicaid

Program is projected to increase in my State of Mississippi by as much as 44 percent in 2014. Thousands of people will be forced onto the Medicaid rolls. The legislature in my state is wrestling with serious budget pressures from the cost of the Medicaid Program.

Mississippi has the highest Federal matching assistance percentage in the country at approximately 75 percent. But over the course of the next 10 years, our State match requirement will increase by \$127 million each year for a total of \$1.3 billion by the year 2020. Our State's budget can't handle that burden. Other States are facing similar constraints.

The affordable care act is essentially taking aim at State governments. The maintenance-of-effort requirements for the Medicaid Program are particularly restrictive. They inhibit a State's ability to spend taxpayer money wisely, and they ignore the inherent problems within the Medicaid Program. Mississippi faces the prospect of expending all of its resources keeping up with an unfunded mandate that increases its dependency on the Federal Government, while being forced to cut other important services, such as education.

In addition, physician services cannot keep up with the demands of an expanded Medicaid population. This law does nothing to address the decreasing physician participation rates and quality-of-care issues that are rampant in the Medicaid Program.

Another charge to States in these difficult fiscal times is the creation of health insurance exchanges. My State's efforts to develop an exchange began well before the affordable care act was enacted, and the State is on track to set up a health insurance exchange by the January 2014 deadline. We are committed to creating an exchange that can serve Mississippians well, but the state needs flexibility in order to do that. The Mississippi Department of Insurance is working to avoid defaulting to a federally-run exchange, but bureaucratic red tape threatens to hinder their progress. I am concerned that the deadlines put forth in the affordable care act are unrealistic due to the amount of time and resources that are required for such a large project.

These are just a few of the problems the affordable care act poses for my State and others as well. It is proving to be an increasingly expensive statute that is making health care more costly for individuals, businesses, and State governments. It is my hope that relief can be found at the Supreme Court to avoid the potentially devastating impact of this law.

I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. MANCHIN). Without objection, it is so ordered.

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent to speak in morning business for up to, or perhaps 1 or 2 minutes over, 20 minutes.

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

## HEALTH CARE

Mr. ROCKEFELLER. Mr. President, this week there is plenty of drama unfolding at the Supreme Court, the stately building across the street from where we now stand. The Justices are deliberating inside the building. There is a lot of shouting and clamoring outside. That is to be expected. But I am here today to encourage all of us to pause for a minute and to step back from the hype and think about what the broader health care reform means to so many Americans, not just the citizens the Presiding Officer and I represent but Americans across this country.

I do think, because I believe strongly that the rhetoric surrounding the issues has become so polarizing, many people routinely overlook the profound ways the law has already made life better to so many Americans. Let's remember why we started down this path of health reform at all.

Let me say for the record this is a path that has been well trodden over the years by both Democrats and Republicans—in fact, over the last century—but we had never managed to enact meaningful reform in our system. Yes, we added on some extraordinary things such as Medicare, Social Security, and Medicaid, but reform of the system we had not done. So we rejoiced in what happened in the mid-1960s, but that doesn't help us in terms of the overall disposition of the system.

When we renewed this debate about how to fairly make sure everyone in the country could get the health care they needed, we actually, at the time as we started, had 46 million uninsured Americans. To be uninsured is not pleasant; it is a fearful condition. Employers had been dropping coverage for a decade due to skyrocketing health care costs. People were losing their jobs and with them their coverage. Even those who had coverage were being saddled with horrendous bills, and they were thrust into bankruptcy even though many of them thought they had coverage that was protecting them financially. They did not, but they thought they did.

Some of those with preexisting conditions could not get back into the system at any cost whatsoever. Preexisting conditions are something people have—tens and tens of millions of Americans have those.

Americans thought our system was broken and unfair, and they thought it was time to finally achieve our shared goal of access to care and a more affordable system. That was sensible.

Let's start by looking at part of the law that protects those with pre-existing conditions. As I just mentioned, there are about 133 million Americans, individual Americans, who live every day with chronic illnesses—or they fail to live—because of chronic illnesses.

What happens to them when insurance companies refuse to cover their illnesses even while the insurance companies are collecting premiums from them? That is called rescission. It is a dirty trick the insurance companies have been doing to us in America for years. This law stops that.

Before health reform, millions of Americans, including children, could be denied the health care they needed due to a preexisting condition. They might have had asthma. I had asthma until I was 12 years old. I wasn't worried about insurance, I gather, or maybe I didn't get sick, but anyway I couldn't have gotten insurance in those days because I had a preexisting condition.

If a woman has a C-section, she has a preexisting condition. If someone has acne, that person can have a preexisting condition. If people have almost anything, they can have a preexisting condition if the insurance company says they do, so they just cut them off. It is called rescission. They cut them off even though they are paying premiums. That is unfair.

I want to talk about what this has meant to real people every day. It means people have lived in fear of losing their employer-sponsored coverage or even leaving a job to start their own business for fear that they could not get coverage. It meant if somebody did get coverage, the insurance company could just carve out their condition. In other words, they could just get rid of them, dump them.

What is the practical implication of this insurance company abuse? Consider this: People could get coverage if they had cancer, but the cancer would not be covered. Not good. And the preexisting condition doesn't have to be as complex as cancer. Insurance companies could deny coverage for something as simple as allergies.

Before health reform, insurance companies could even deny coverage to a woman if she was a victim of domestic violence and had to be treated. That is unimaginably cruel, but it was a fact.

That is no more. Under the health reform law preexisting conditions will no longer be a barrier to quality affordable health care. That is over. They cannot do it. It is against the law—the law which so many are trying to repeal.

Is there anyone here who would like to go back to the old days, those good old days when individuals, including millions of children, were punished for things they couldn't possibly control? They were subject to devastating medical costs without the benefit of insurance—or their families were. I don't think people would want to go back

there, but, of course, that is what will happen if we abandon all of this.

Let's talk now about another piece of this great effort that also is often overlooked, and it is the coverage of young adults under the age of 26. I know that is a particular matter the Presiding Officer likes about this bill.

In the past, many young adults in my State and everywhere have gone without health insurance as they made their way into the world after graduation. That is a ticklish time. Most of these young adults are not slackers, as they have sometimes been called. Many simply start out in low-wage or part-time jobs that typically do not offer health coverage. Because they were over the age of 18, and therefore technically adults, they were not able to maintain coverage under their parents' health insurance plan.

This meant many young adults would forfeit basic things such as checkups or put off seeing a doctor when they had health problems in the hope it would go away. But that is no way to live, particularly not when 15 percent of young Americans suffer from a chronic health condition such as depression or diabetes—yes, that young—and not when a staggering 76 percent of uninsured adults report not getting needed care because of cost.

Before health reform young adults represented one-third of our Nation's uninsured population. People always think of young people as healthy. Not so. They take risks. They end up in the emergency room often. Think about how many young adults and their families are so much in a better position. Why is that? That is because the law now allows young adults, with no coverage of their own, to pay premiums and to stay on their parents' health insurance policy up to their 26th birthday. This applies even if they no longer live at home, if they are no longer dependents on their parents' tax returns. In other words, they have coverage up to the age of 26.

As a result, over 2.5 million young adults gained coverage they did not have before—that is a fact today—including more than 16,000 young adults in West Virginia. Those families have the peace of mind that their families will be financially protected should an injury or an illness occur.

It is important to know that young people suffer a lot of mental health conditions, maybe a little bit more than the rest of the population. We don't think about that because they are young and therefore always ebullient. No, they are young and often troubled, trying to figure out what life holds for them. These conditions cause them problems, they need insurance, and they can get it.

So right off the bat, parents such as Sam Hickman from West Virginia are able to get young adult coverage. Isn't our country a better place—it would seem to me—when people have the security of knowing they are covered in

case of illness or injury. To me, it just makes sense; maybe more important, to the people it brings peace of mind.

It is not all. The law provides access to free preventive health services and easier primary care, as well as increased financial assistance for students through new scholarships and loan repayment programs to build a stronger health care workforce. That is a major part of this bill.

In West Virginia, as the Presiding Officer knows, and all across the country, particularly in rural areas, we have a shortage of various kinds of necessary physicians and health care providers. In fact, one of my favorite parts of this law is the significant new financial incentives it creates to encourage young adults to go into primary care—dentistry, pediatrics, nursing, and mental health—to precisely address those shortages. It is in the bill.

Doesn't it make sense, given the shortage of skilled health care professionals in this country, to make it easier for young people to get into those well-paying stable jobs?

Health care job growth continues to be a major stabilizing factor in our economy. Creating additional jobs in our local communities is something many in this body have fought for in all kinds of ways—tax credits and plans and all kinds of things—but in the meantime, health reform tackles that problem too, just inexorably. Health care jobs continue to grow year after year, most of them private, obviously.

Just look at the numbers from the month of February of this year. The health care sector once again led the Nation's job growth last month, adding about 49,000 jobs, which was about the same as the month before. Health care is the economic engine—in fact, it kind of undergirds our economy. It is silent, it is relentless, and it will not stop because health care is something people cannot walk away from—the receiving of or the providing for.

Another important group helped by health care reform is our Nation's seniors, starting with lowering the cost of their Medicare prescription drug coverage. That is very important in West Virginia, as the Presiding Officer knows. Thanks to the new health care law almost 40,000 people with Medicare in West Virginia received a \$250 rebate—they have already got it—to help cover the cost of their prescription drugs when they hit that famous doughnut hole in 2010. I will not bother to explain that.

In 2011, more than 36,000 West Virginians with Medicare received a 50-percent discount on their covered brand-name prescription drugs when they hit the doughnut hole. That is called very good news. Then we go on to close the doughnut hole entirely.

This discount I am talking of resulted in an average savings of \$653 per person and a total savings of over \$23.5 million in our State of West Virginia. By 2020, the law will close the doughnut hole completely, and I think that is rather sensational news for seniors.

Closing the doughnut hole is not all this law does for seniors. Under the new law, seniors can receive recommended preventive services. We talk about that all the time, and we always think it is not in a bill. Preventive services such as flu shots, diabetes screening, as well as new annual wellness visits—all things seniors should do but often decline to do because of lack of access or thinking they have to pay for it and they don't have the money. So now they can get all of these screenings for diabetes and flu shots and all kinds of other things for free. So far, more than 32.5 million seniors nationwide have already received one or more free preventive services, including the new, as I indicated, annual wellness visit, which is a very good idea for any person.

In 2011 more than 230,000 people with Medicare in West Virginia received free preventive services such as mammograms, colonoscopies, or a free annual wellness visit with a doctor, and 54 million Americans with private health insurance gained preventive service coverage with no cost sharing, including 300,000 people in the State of West Virginia.

The new law also provides new grants and incentives to improve health care coordination and quality, as well as a new office, the Federal Coordinated Health Care Office. We have to have that. I kind of wish we didn't have to, but we do because it is a new science. This is trying to get away from the health care system as usual, so we do have that one little addition, sort of managing care for individuals with disabilities and, importantly, eligible for both Medicare and Medicaid. Those, obviously, are known as our dual-eligibles: those who are poor enough to be on Medicaid and old enough to be on Medicare, so they can't afford life, so to speak. They need help and they need health care, and under this bill they get that. There are about 8, 9, 10, 11 million of them in this country.

Many doctors, many hospitals, and many other providers are taking advantage of the new options to help them work better as teams to provide the highest quality care possible. That is called coordinated care. It is new, it is important, and it is going to be really helpful. That is good news because many chronic illnesses can be prevented or managed better through this coordinated care. It means doctors actually talk to each other.

The way it is now, when a patient gets an x ray taken by a dentist or by somebody else, the patient has to carry the x ray with them—if they can manage to get their hands on it—to go see another doctor, as opposed to a system, such as telemedicine, which has the technology to shoot the information over the Internet so the next doctor already has it, so he or some of his people are thinking about what they are going to do next. It is so important to talk to each other, but we don't. Doc-

tors and hospitals often operate as if in a vacuum, sort of taking it on a case-by-case basis. That is bad for patients.

The health care law also helps stop fraud with tougher screening procedures and stronger penalties and new technology. New technology can catch all kinds of things. Thanks in part to these efforts, we recovered \$4.1 billion in taxpayer dollars in 2011. That was last year. The second year's recovery hit this recordbreaking level also. West Virginia tax dollars should not go to pay for criminals who are defrauding the system, and the administration is cracking down on this. Believe it or not, it is.

And I am not done. In just over 18 months, a new competitive health insurance marketplace called an exchange—which has everybody nervous for no reason at all; it is great news—will be up and running in West Virginia and all across the country where individuals and small businesses can shop for coverage in the private health insurance market. This is not government; it is all private. An estimated 180,000 West Virginians will be eligible for \$687 million in premium tax credits to help cover the cost of private health insurance in the year 2014 when the exchanges start.

Families all over the country will finally have more power when it comes to buying health insurance that works for them—having more power is a big deal if you are trying to shop for health insurance—thanks to a clear, transparent summary of benefits. Yes, you actually get to see the choices from which you can pick. You have a list of all the services they are going to provide. It is required by law. They can't cheat. They can't just say: Oh, we will take care of you. Sign up with us. We are a big insurance company.

So they get the transparent summary of benefits and coverage that will let them compare benefits on an apples-to-apples basis, which will come standard with every single private insurance plan, which will be what makes up the exchanges. They will go through that, and they will pick out what best suits them.

In fact, it is quite telling that this little-known provision I have just talked about is the single most popular one in the entire law. I didn't know that. Eighty-four percent of Americans think that is really good. They like the idea of being able to choose what they are going to get in health care coverage. The insurance companies, of course, hate it and have been fighting with everything they have, but we have been beating it back, Mr. President, as you would expect me to do.

What that tells me is that people are frustrated and fed up with the confusing information they have been getting from their health insurance companies, and they are tired of guessing games about what is actually covered. They have a right to know, and now they can. So I look forward to September of this year when every insur-

ance company finally has to come clean about what benefits are actually covered and the products they are selling. It will be there in black and white. They can read it, and families will obviously have much more purchasing power in their hands.

What is wrong with that?

While opponents have gotten used to talking about how the law costs too much, in fact, it has great provisions that will not only improve the quality of care but also save hundreds of billions of dollars—yes, that is true—for example, the average \$2,500 discount thousands of West Virginia small businesses received last December as a result of the medical loss ratio rule. That was what followed the public option. Everybody so loved the public option. They thought it was wonderful. The only problem is that it could not get votes from the Finance Committee, so it could not come down here and we could not do anything about it, so we invented the medical loss ratio. It is totally understandable, right? The question is, How does it work? Does it help people? And it does because it says that health insurance companies are required to spend at least 80 percent of small businesses' and 85 percent of large businesses' health insurance premium dollars on actual medical care—not on administration, not on marble pillars, not on CEO salaries and all of that. They have 20 percent or 15 percent to do all of that. But if they fail to do that, they have to rebate to the consumer, to the patient who has been paying the premiums, the fact that they have not been abiding by this 80 percent or 85 percent law, and that is probably going to be several billions of dollars—at the very least, hundreds and hundreds of millions, and that is kind of like billions—and it starts this year. I am delighted.

Now, the Independent Payment Advisory Board, or IPAB, is another example. IPAB is not well understood and therefore not well received. What is not understood is generally not well received. That doesn't mean it is not good. IPAB will be made up of smart doctors, nurses, and other health care experts who will figure out ways to improve the quality of Medicare services and make sure the Medicare trust fund stays strong. And IPAB is legally forbidden in this law—which the folks across the street are now considering—from recommending cuts to Medicare benefits or in any way increasing cost sharing on the part of Medicare recipients. That is in the law—cannot cut benefits, no cost sharing.

Yet the House just last week rallied behind an effort to repeal IPAB. They didn't know what it was or they had really bad dreams about what it was, so they repealed it and felt better. The House vote is a good example of what happens when special interest wins and seniors lose.

The Independent Payment Advisory Board was created to protect Medicare for seniors by improving the quality of

Medicare services and by extending the life of Medicare for years to come. Instead of making Medicare better, House Republicans want to decimate the program and force seniors to pay much more and give private health insurance companies and other special interests the authority to raid the Medicare trust fund, which they will do in order to pad their bottom line, which they would love to do. This would take us exactly in the wrong direction. Every single senior in America should be outraged.

You can even get simple things like better information about private health insurance by just going to the Web site [healthcare.gov](http://healthcare.gov). The information is out there to help people shop for better coverage today.

There is so much more that has already happened and more to come, such as the nearly \$70 million in grants West Virginia has already received for things like community health centers. We put aside \$10 billion in the bill for maybe up to 1,000 new rural health care clinics across America. As the Presiding Officer knows, in places such as Lincoln County in West Virginia, people don't want to go to hospitals, but they will go to clinics happily because they are on the first floor, tend to be in buildings that used to be stores or whatever, and they get good medical care right there.

In closing, why would we want to throw this law out the window knowing just these facts? Think about it. The reforms here are the most significant reforms in health care in several generations. It is an effort that 50 years from now history will record the same way we do Social Security or Medicare Programs—as an essential part of the implicit promise to care for its citizens, to allow people to age with dignity, and to find ways to make our society a better place.

So as we mark the 2-year anniversary of the health care reform law becoming the law of the land—and the folks across the street will decide if that stands up or not, but I think they will—I, for one, am proud of my role in its passage and grateful that Congress came together on such a historic issue.

I thank the Presiding Officer.

I yield the floor and note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. TESTER). Without objection, it is so ordered.

Mr. KYL. I ask unanimous consent to speak in morning business for up to 10 minutes.

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

## TAX SUBSIDIES REPEAL

Mr. KYL. Mr. President, I will address the bill that will be before us later today.

The title of the bill is “Repeal Big Oil Tax Subsidies Act.” I think that title begs the question: What is a tax subsidy? Most Americans would define a tax subsidy as a payment of cash, such as through a tax credit, from the government to a particular industry. Does this bill address subsidies? The answer is, absolutely. But instead of repealing tax subsidies, it actually creates more of them.

Under this bill, the government would subsidize particular industries or activities through a host of tax credits. These subsidies range from tax credits for energy-efficient homes, alternative fuel vehicles, plug-in electric vehicles, cellulosic biofuels, wind energy production, biodiesel and renewable diesel, and the list goes on and on. In other words, the Tax Code would be providing special tax breaks for specific industries, and the one thing that is common to all these is that they are the so-called green energies. They are the ones that would receive the special tax treatment, to the tune of \$12 billion. There are even direct cash grants from the Treasury Department for industries that invest in green energy so companies don't have to worry about whether they have a tax liability to take advantage—direct cash grants. These are clearly subsidies aimed at particular industries, the very thing the President himself has said we should avoid if we want a simpler Tax Code with lower rates that doesn't pick winners and losers.

So, yes, this bill deals with tax subsidies. It creates a bunch of them, and they are in a very specific area—\$12 billion worth.

What about oil and gas? It turns out there are no special tax provisions for oil and gas. There is no special oil and gas loophole or giveaway, as somebody called it. Oil and gas companies use the same IRS Code other kinds of companies use. They pay taxes under those provisions. They get deductions or credits under some other of those provisions but nothing that doesn't apply to other industries the same way. In fact, what this bill does is to take away the rights of oil and gas companies under some of these provisions and leave those provisions intact for others. In other words, it discriminates against specific companies within a specific industry.

There are four particular areas. The first is section 199 of the Tax Code. This is the basic code under which all producers—people who manufacture things, who produce things—are allowed to take what is called a manufacturing deduction of 9 percent, except we have already discriminated against the oil companies. They can only take a deduction of 6 percent, but it is the same for the other industries; otherwise, it is 9 percent. But this bill would eliminate that deduction altogether for

the larger oil and gas companies—the so-called integrated companies—but not for other domestic producers. So it is discriminatory twice over. Remarkably, therefore, companies such as the Venezuelan company, CITGO—a large oil and gas producer—could continue to take the deduction, but U.S.-based companies could not.

How is that for double discrimination. First, all other companies in the country get to deduct 9 percent, big oil companies only get to deduct 6 percent, and this bill would eliminate that deduction for some of the American oil producers.

How about intangible drilling costs. This is part of the so-called R&D—or research and development—tax treatment. Research and development is something many businesses do, and when they do it, they get to deduct those costs as against their tax liability. For the oil and gas industry, the research and development is called intangible drilling costs. Those are part of the R&D exploration for energy.

Again, the oil companies are actually already discriminated against; whereas, other businesses can expense 100 percent of these R&D costs; large oil and gas companies, as I have said, can only expense 70 percent. So they are already being discriminated against, to some extent. This bill would further discriminate against them by eliminating the expensing altogether. In other words, whereas most companies can expense 100 percent and smaller oil and gas companies could still expense 100 percent, these larger companies could no longer expense any of it. Their current-year deduction would be gone.

The third area is for businesses that have operations abroad that pay both taxes and royalties. They are called dual capacity companies. There are a lot of dual capacity kinds of businesses. Oil and gas is one of them because they pay both taxes and royalties; casino operators are another, to give another example. In order to prevent double taxation for American companies that pay both foreign taxes and American taxes—and obviously they are competing against companies that only pay taxes once—in order to mitigate that, every American company, whether it is an oil company or any other kind of company, is allowed to take a foreign tax credit for foreign taxes paid. So whatever their American tax liability is, they get to take a credit against that for what they have already paid to another country in tax liability there.

If they owe \$100 in taxes and they have already paid Great Britain \$70 in taxes, then they get to take a credit of that \$70 against the \$100 American liability. That is the way it works for all businesses abroad, including the dual capacity taxpayers.

This bill would eliminate part of the foreign tax credit for the large integrated oil and gas companies; therefore, putting our companies at a severe disadvantage with other oil and gas