

The Federal Government is asking the States to take greater roles in administering coverage for the uninsured in Medicaid, the dually eligible and the uninsured in the private sector.

As we move forward in 2013, we will revisit, perhaps repeal, the Affordable Care Act.

We will examine proposals to reign in the cost of our health care entitlements.

Mr. President, as we do so, I strongly recommend we step back and reconsider what is the appropriate role for health care in our Federal system.

In July, Robert Samuelson wrote in the Washington Post about a proposal often associated with my friend from Tennessee, Senator ALEXANDER, known as the "grand swap."

In this proposal, the Federal Government would assume all responsibility for Medicaid and the States would assume all responsibility for education.

Samuelson raises the proposal because, in his words,

Only the federal government can devise a solution to control health costs; concentrating government health spending at the federal level would intensify pressures to do so.

States have tried mightily to control spending with at best partial success.

For example, Medicaid reimbursement rates average only 72 percent of Medicare levels.

The low rates have caused some doctors not to accept Medicaid patients.

Mr. President, Samuelson raises a significant question, which Congress needs to consider in entitlement reform.

Congress should consider what States should do in health care and what are reasonable expectations.

If Congress wants States to administer benefits for the aged, blind and disabled, and low income individuals along with managing the exchanges for individuals with incomes up to 400 percent of poverty, Congress can do so.

If health care is the primary responsibility of States, it is because of decisions made by Congress.

If States are being asked to do so while also overseeing education, public safety, roads and bridges and meet in most cases a balanced budget requirement, Congress should temper its expectations regarding the resources States will be able to devote to health care.

With significant restructuring of Medicare and Medicaid possible in 2013, we should use this as an opportunity to reconsider the role of the States in providing health care coverage inclusive of populations and services.

What we ask of the States should be thoughtfully considered in any reform discussion.

RECOGNIZING TAIWAN'S NATIONAL DAY

Mr. LIEBERMAN. Mr. President, I rise today to honor the people and leaders of the Republic of China on Taiwan as they prepare to celebrate the

hundred-and-first anniversary of the founding of their country on October 10.

I would like to highlight Taiwan's economic successes over the last century—a success that has rightly been called a miracle. In just several decades, the people of Taiwan have transformed their economy from a recipient of American aid into one of our most important trade partners. The world economy relies upon Taiwan's computer chip foundries, and the whole world benefits from the entrepreneurial spirit and inventiveness of Taiwan's people.

Looking forward to the future of our relationship with Taiwan, I believe it will be essential to take bold new steps to strengthen the ties between us. In particular, it is past time for Washington to negotiate a free trade agreement with Taiwan. That would be the first and most important step we could take to demonstrate our continued dedication to this relationship.

I also wish to take this opportunity to congratulate Ambassador Jason Yuan, who has ably represented Taiwan in the United States for the past 4 years, on his new appointment to serve as Secretary-General of the National Security Council of Taiwan. I am deeply grateful for his hard work to further strengthen the ties between our two countries, and I wish Ambassador and Madame Yuan the very best of luck in their future endeavors.

In closing, I urge my colleagues to join me in congratulating the people of Taiwan on their many successes, and to recommit ourselves to strengthening this essential relationship. As we look forward to Taiwan's national celebration, the people of both the United States and the Republic of China on Taiwan have much to celebrate.

TRIBUTE TO GENERAL NORTON A. SCHWARTZ

Mr. MCCAIN. Mr. President, today I rise to honor GEN Norton A. Schwartz. General Schwartz will soon officially retire after 39 years as an Air Force officer, the last 4 spent as Chief of Staff. Throughout his career, on the front lines and in the "corporate" Air Force, General Schwartz served our Nation selflessly and ably, with dedication and distinction.

I came to know General Schwartz when he was appointed Chief of Staff of the Air Force in August 2008. He began his leadership at a very difficult time. Controversy surrounded the Air Force's acquisition activities and the control of our Nation's nuclear arsenal. The Air Force's attempt to acquire aerial refueling tanker aircraft had been mired in scandal and missteps, while the service had just come off two incidents of mishandling nuclear missiles and related materials.

General Schwartz established a command climate that helped the service make the changes needed to address these issues. For example, General

Schwartz insisted on fully restoring excellence and integrity to the Air Force's acquisition workforce and practices. He succeeded. After years of failed attempts to get the tanker replacement program under contract, the Air Force conducted a source-selection for the program, under full-and-open competition, that serves as a textbook example of how the Department of Defense should award contracts for its largest and most expensive weapon systems. Today, the Air Force's strategy to acquire these tankers is sound. It can certainly be said that under General Schwartz's leadership, this program is, for the first time in its checkered history, well-positioned for success.

Through his thoughtful temperament and purposeful humility, General Schwartz also helped restore Congress's confidence in the Air Force's acquisition practices and its management of the critical national security resources entrusted to it. For this, both the warfighter and the taxpayer will remain in his debt.

During public hearings before the Armed Services Committee and in our private meetings, I always appreciated General Schwartz's "straight talk" about Air Force programs and operations. Despite his unwavering dedication to the Air Force, General Schwartz was never afraid to talk about the hard truths, to propose solutions to problems, and to see those solutions through. Neither was he shy about lauding the many excellent people and accomplishments of the Air Force.

So I extend a grateful nation's thanks to GEN Norton A. Schwartz and his wife Suzie for their service to our Nation and wish them every success in the next chapter in their life together.

POSTAL REFORM

Ms. COLLINS. Mr. President, the Postal Service's financial crisis continues to escalate.

At the end of this month, the U.S. Postal Service will miss the deadline for the required \$5.6 billion payment toward its future retiree health care obligations. In fact, the Postal Service will have defaulted on more than \$11 billion in payments to fund health care for future retirees, raising concerns about its ability to keep promises to current workers about their future benefits.

Five months ago, the Senate passed by a strong bipartisan vote legislation to shore up the Postal Service. Yet the House has failed to act. And unfortunately, the House is about to adjourn without taking up either the Senate-passed postal bill or a House version.

I have implored House leaders to take up postal reform legislation—any postal reform legislation—so the conference process and the difficult negotiations involved in that process can begin in earnest.

No one should pretend this is not a crisis worthy of congressional action.

The Postal Service has lost more than \$13 billion during the past 2 years and is losing \$25 million each day. It will reach its credit limit of \$15 billion by the end of the year. Despite the fact that Congress has deferred or reduced the Postal Service's payments for future retiree health benefits multiple times, the Postal Service has still reported billions of dollars in deficits—clear evidence that its fiscal woes go far beyond this requirement.

The Senate bill passed in April ensures those promises to future retirees will be kept, while still providing financial relief by restructuring the payment plan in a responsible way.

Much is at stake. Without legislative reforms, the universal mail service that drives a trillion-dollar mail industry and supports more than 8 million jobs will be in jeopardy.

A key reason for the Postal Service's crisis is simply a changing world, where more and more communication is online rather than via traditional mail. First-class mail volume has fallen by 26 percent over the past 6 years and continues to decline. Reflecting that sharp drop in volume, the Postal Service's revenue has also plummeted from \$72.8 billion in 2006 to \$65.7 billion in 2011.

Nearly 80 percent of the Postal Service's costs are workforce-related, and so, as painful as it may be, finding a compassionate way to reduce these costs is simply unavoidable. In doing so, however, it is critical that the service on which many postal customers depend—customers the Postal Service desperately needs to keep—be preserved. The worst thing the Postal Service could do would be to drive more customers out of the mail, causing revenues to decline further and ensuring that the financial free fall continues. That would trigger a death spiral from which the Postal Service might never recover.

We need to help put the Postal Service back on solid financial footing, not only to help protect those who work in jobs related to mailing industry but also so that taxpayers are not left holding the bag.

The bill I coauthored along with Senators LIEBERMAN, CARPER, and SCOTT BROWN would do just that.

Our bill encourages the Postal Service to operate more like a business by cutting internal costs first instead of driving away customers with deep service cuts or steep price hikes.

Our bill would transfer to the Postal Service the nearly \$11 billion it has overpaid into the Federal Employee Retirement System and direct the Postmaster General to use a portion of this money for retirement and separation incentives in order to reduce the size of the workforce in a compassionate way.

Let me emphasize: This refund is not taxpayer money. It was contributed by the Postal Service using ratepayer dollars. It is an overpayment that was identified and confirmed by the actu-

aries at OPM and verified by the GAO. GAO recently confirmed OPM's assessment that this figure now has risen to nearly \$11 billion.

The Senate-passed bill also includes a new requirement that arbitrators rendering binding decisions in labor disputes consider the financial condition of the Postal Service. I know that it might defy belief that an arbitrator would not automatically consider the looming bankruptcy of the Postal Service when ruling on contract disputes. Some previous arbitrators, however, have discounted this factor in their decisions because the requirement to consider it was not explicitly listed in law.

For the first time in 35 years, the bill also brings sorely needed, common-sense reforms to the Federal Workers' Compensation Program, not only at the Postal Service but across the entire Federal Government. More than 45,500 people are on the long-term rolls for Federal workers' comp, and 40 percent of those are Postal Service employees. The reforms will help injured employees return to work and ensure that workers' comp is not a substitute for retirement benefits.

The Senate bill would also rationalize what has been an erratic and Draconian closure plan for thousands of rural post offices. While some post offices can and should be closed, curbing access for customers could well jeopardize revenue. Therefore, our bill would set up a new process that would involve the consideration of alternatives to closure, such as reducing hours, co-locating a post office at a nearby pharmacy, or renting out excess space to other government agencies. Perhaps most important, the process includes the requirement for the views of the affected community to be heard and responded to prior to any final decision.

Our bill would prevent the Postal Service from eliminating Saturday delivery for the next 2 years. Instead, it directs the USPS to embark on a period of aggressive cost-cutting and then would allow this reduction in service only if the Government Accountability Office and postal regulators both certify that elimination of Saturday delivery is still necessary to achieve solvency.

The Senate's bipartisan postal reform bill preserves the Postal Service and the critical economic activity it supports.

Now, the House must act. Failure to do so puts in peril American commerce and could harm our fragile economy.

I am confident that, for the good of our country, we will be able to come together with our House colleagues and work out our differences, no matter how significant those differences may be. No doubt more compromises will be required along the way, but it is critical that we get a bill to the President for his signature as soon as possible.

Our task is urgent. Postal employees, businesses who rely on the U.S. mail,

and the American people should not have to wait any longer.

WORLD ALZHEIMER'S ACTION DAY

Mr. AKAKA. Mr. President, today I wish to join my colleagues in bringing attention to Alzheimer's disease and dementia, which tragically affects so many people across our Nation, including in my home State of Hawaii. Today, the Alzheimer's Association recognizes World Alzheimer's Action Day as a way of raising awareness and reducing the stigma associated with Alzheimer's. Sadly, this disease has touched the lives of the families of so many of my friends, colleagues, and staff.

In 2010, 27,000 people in Hawaii were living with Alzheimer's disease. Their family members and loved ones sacrificed to help them with nearly \$800 million worth of unpaid care. Not only is this a devastating disease for the people afflicted with it, but the emotional and monetary costs to their families are enormous.

The reach of the disease continues to grow, and it is estimated that the cost of caring for people with Alzheimer's and other dementia in America will reach \$1.1 trillion by 2050. Despite the fact that Alzheimer's has affected so many, the disease itself remains poorly understood. Not only does it cause memory loss and confusion, but it is also the sixth leading cause of death nationwide.

During the last Congress, my colleagues and I worked together to pass the National Alzheimer's Project Act, which President Obama signed into law in 2011. This law created a national strategic plan to address the crisis of Alzheimer's disease and to make ending Alzheimer's a national priority. We have a plan in place to fight this disease, but finding a cure will require us to continue funding research into the disease. While we work towards a cure, we must also support caregivers and raise public awareness of the effects of this disease.

I would also like to express my profound gratitude to all those who are caring for family members who are afflicted with Alzheimer's disease and other forms of dementia. Many caregivers have one or more jobs and other family members to care for and it can often be a thankless job. So mahalo nui loa, thank you very much, for your sacrifices. I call on my colleagues to continue supporting Alzheimer's disease research and education so that we may find a cure and end this devastating disease.

TRIBUTE TO ROBERT EPPLIN

Ms. COLLINS. Mr. President, I rise to commemorate the distinguished public service of Robert Epplin, who served for nearly 20 years as staff in the Senate, and most recently for the past 3½ years as my legislative director. Rob's service in the Senate, as well