

to pay down debt. The question is, will we reduce the annual deficits that will average almost \$1 trillion a year for the next 10 years and get worse in the outer years?

We have to deal with that. There is no escape from that. There is no way we can get around it. Any mature person who loves this country knows we have to confront it. It cannot just be done by raising taxes. We are going to have to reduce spending in this country. Cutting spending is not going to hammer the economy. We do not have to throw people in the streets, but we need a sustained effort to reduce the growth in spending in this country. If we just do that, we would surprise ourselves that we could get on a sound course before too many years.

I thank the Presiding Officer and yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

MEDICARE

Mr. FRANKEN. Mr. President, I have come to the floor to talk about Medicare. My esteemed colleague from Alabama just talked about Medicare reform. The Presiding Officer and I—all of us—pay into Medicare every month, so we are entitled to Medicare benefits when we reach age 65. The fact that we are entitled to these benefits is not bad. In fact, it is very good for so many millions of American seniors. The fact that many call it an entitlement only means we have a right to expect to get the benefits we paid in for. Entitlements, in this case, should not be a pejorative.

We have heard a lot about entitlement programs recently and about the place of Medicare in the conversation about our Federal deficit. We just heard the Senator from Alabama talk about that. He said there is no discussion of reform of Medicare. But in these discussions sometimes I think a critical component is missing, which is we already reformed Medicare, and these reforms extended the life of Medicare by 8 years while expanding benefits for seniors.

During the recent campaign, as the Presiding Officer has pointed out, we saw a lot of ads about the so-called \$716 billion in cuts to Medicare and how terrible that was, is, and will be. I would like to take just a few minutes to explain what these savings were, what they are, and what they will be.

The two biggest sources of the \$716 billion are, one, insurance companies overcharging the government for Medicare Advantage and savings in payments to hospitals.

First, Medicare Advantage. As the Presiding Officer knows, as people watching no doubt know, seniors can choose to get their Medicare benefits directly from the Medicare Program or get them through a private insurance program that gets paid by Medicare, which is called Medicare Advantage.

Before we passed the Affordable Care Act, we were overpaying those private

insurers by 14 percent. These insurers were getting much more than they should have based on the benefits they were providing to seniors. So we cut what Medicare gives to these private insurance companies. Over the next 10 years, we are going to cut these insurance payments by 14 percent, which CBO scored in 2010 as saving Medicare \$136 billion over 10 years.

We were told by some of our colleagues that insurance companies were going to leave the market, that we were not going to have Medicare Advantage anymore. So far, enrollment in Medicare Advantage has gone up by 11 percent. That is many billions of dollars we were able to take—instead of overpaying insurance companies—to extend the life of Medicare.

Second is the lower reimbursements to hospitals. Why does this work out for hospitals? When we insure 31 million more people, and those 31 million people go to the emergency room, go to the hospital, the hospital is no longer on the line to pay for that.

They are not left holding the bag. Those 31 million people now have insurance that pays for it. So the hospitals are now able to take lower reimbursements for Medicare patients. That is why it works out. So when people talk about the \$716 billion, this is a huge part of what they are talking about. It is not cuts to benefits. It is not shifting costs to seniors. It is streamlining the program and making it more efficient.

We took these savings and we reinvested the savings in the program. We overall extended the life of Medicare by 8 years. That is entitlement reform, extending the life of the program. That is what we are talking about when we talk about reforming Medicare. That is what we did. But not only that, we actually expanded benefits for seniors.

I go to a lot of senior centers around Minnesota, nursing homes. I have to tell you seniors are very happy we expanded their benefits. They are happy about the new free preventive care they get, wellness checkups, colonoscopies, mammograms. They know an ounce of prevention is worth a pound of cure. This saves us all money and keeps people healthier.

What else are we doing with this money in addition to expanding the solvency by 8 years? We are closing the doughnut hole, the prescription drug doughnut hole. I have to tell you, seniors are very happy about that too. For more than one-third of seniors, for them, Social Security provides more than 90 percent of their income. For one-quarter of elderly beneficiaries, Social Security is the sole source of retirement income. So when they hit their doughnut hole, that is serious.

Sometimes they have to make choices between food and heat and medicine. Because we are closing the doughnut hole, in many cases, people do not have to make that choice anymore. This is important stuff. When I was running for the Senate, a nurse

who worked in Cambridge, MN, a town north of the Twin Cities, came to me and told me that in the hospital she worked in very often they would admit a senior who was very sick and the doctors would treat this senior and get them back on their feet and send them home with their prescriptions.

As this started happening, they would call the drug store, the pharmacy a few days later, 1 week later, and say: Has Mrs. Johnson filled these prescriptions? The pharmacist would say: No; because she was in her doughnut hole. A couple weeks later, Mrs. Johnson would be back in the hospital. How wasteful is that? How wise? That costs a tremendous amount of money to our system. This is saving money. This is health care reform. This is Medicare reform. It is improving people's health and saving money at the same time. So we have increased benefits. We have extended the life of Medicare. That was done as part of health care reform. That is Medicare reform.

In the election we had a discussion about this. There were a lot of ads about it. We know what Governor Romney would have done to Medicare. He said very explicitly that—and again the Presiding Officer has quoted this. He said very explicitly he would restore those billions and billions of dollars in overpayments to private insurance companies for no reason, for no good effect, just so, I guess, these insurance companies could have more profit. Instead, we reinvested this money into Medicare. But he would have given it to the insurance companies. He would have replaced this health care law. He would have made the 8 years we extended Medicare vanish. Governor Romney supported raising the Medicare eligibility age. If we raise the age from 65 to 67 as he suggested, that means hundreds of thousands, if not millions, of seniors would no longer have access to Medicare.

They would end up receiving Federal subsidies in the exchanges and some of them would go to Medicaid. They would be—these 65- to 67-year-olds—by definition, older and as a population sicker than the other people in the exchanges and in Medicaid. So they would make both these programs more expensive.

They would also make Medicare more expensive because they would be the youngest and least sick and be taken out. Although this sounds like a reasonable compromise, trust me, it is a bad idea. It would cost the health care system twice as much as it would save Medicare. This is exactly the kind of bad idea which explains why we pay twice as much as other developed countries around the world for our health care and in many, if not most, cases with worse outcomes.

Medicare reform was an issue in the campaign because we already did it. We extended the program by 8 years. It is not like it was a secret. It was part of the conversation during the election. In the election, the American people

voted to keep those reforms. As we continue this conversation about our fiscal future, I would love to hear from my colleagues across the aisle about how they would reform Medicare, how they would expand its life by 8 years while expanding or at least, at the very least, not cutting benefits. How would they do it? Because we extended its life for 8 years and increased benefits—very meaningful benefits.

I would ask my colleagues why, before the election—and this is the very point the Presiding Officer made a few days ago on this floor—why they were attacking us—incorrectly I might add, inaccurately—for making cuts in Medicare, but since the election they have been insisting we make cuts to Medicare.

Going forward, I think we need to move from talking points to taking a thoughtful look at policies and working together to tackle our Nation's fiscal challenges and do it based on a little bit deeper look at what we have done and what the health care reform was that we passed in the Senate and the House, now the law of the land, what that does.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

TRIBUTES TO DEPARTING SENATORS

KENT CONRAD

Mr. HARKIN. Mr. President, with the close of the 112th Congress, the Senate will lose its most determined champion of fiscal prudence and balance, Senator KENT CONRAD of North Dakota. Senator CONRAD is best known nationally for his leadership as chairman of the Committee on the Budget.

Again, that committee has limited legislative power, but that did not stop Senator CONRAD from using that committee relentlessly for fiscal restraint, for honest budgeting. As we all know, he has spent countless hours on the floor educating, exhorting Senators on budget issues, driving home his points by displaying a seemingly endless array of charts and graphs.

Indeed, I would note in 2001, the Committee on Rules and Administration assigned Senator CONRAD his own printing equipment because he was producing more charts than all his colleagues combined. The other day, we had this so-called Secret Santa that Senator FRANKEN had established, where we draw names out of a hat and we exchange these little gifts. You never know who is going to give you a gift. You know to whom you are giving, but you do not know who is giving you a gift. It turned out my gift giver was Senator CONRAD.

So I got a nice little book. But most importantly, I got three charts. They were charts from the 2008 farm bill we both worked on, and of which I was chairman at that time. I thought that was a great gift, both to get some of his charts but the charts pertaining to

a major piece of legislation on which both he and I had worked very closely. We have been long-time colleagues on the Committee on Agriculture, Nutrition and Forestry. He joined that committee as a freshman Senator in 1987, just 2 years after I got here in 1985. We were in the midst of the worst economic crisis in the farm sector since the Great Depression.

Senator CONRAD left a major imprint on the Agricultural Credit Act of 1987, advocating strongly for measures to help farm families and rural communities persevere through circumstances beyond their control, to preserve a family farm system of agriculture as well as to preserve small towns, the fabric of rural America. Over the years Senator CONRAD has been a key advocate in enacting major drought relief bills and other disaster assistance.

He has consistently fought for effective programs to protect and enhance farm income through the farm commodity programs and crop insurance. For many years we have been allies in advancing farm bill initiatives to promote renewable energy production on farms and in rural communities.

Let no one doubt that Senator CONRAD has always been a relentless, fierce advocate for the interests of his constituents in North Dakota. I know KENT is very proud of a framed resolution presented to him by his State's Standing Rock Sioux tribe. It bears his honorary Sioux name, *Namni Sni*, which translates as "never turns back." I think that describes KENT CONRAD. He never turns back.

KENT CONRAD and I are proud of our shared roots in the upper Midwest. He has been an outstanding Senator, a good friend for more than two and one-half decades in this body.

I join with the entire Senate family in wishing KENT and Lucy all the best in the years ahead.

DICK LUGAR

In these closing weeks of the 112th Congress, the Senate is saying farewell to a number of retiring colleagues. One of our most poignant farewells is to a Member respected and esteemed on both sides of the aisle. I speak of Senator DICK LUGAR of Indiana.

He is a friend, a fellow Midwesterner. But to all of us, he is much more. DICK LUGAR is truly a Senator's Senator. He epitomizes the very best in this institution, and it is a sad commentary on the state of our Nation's politics that the main reason why Senator LUGAR is leaving the Senate is because his primary opponent attacked him for the very qualities we admire and need here: his readiness to forge fair and honorable compromises, his insistence on putting country ahead of party or ideology, his enormous decency and civility.

As we all know, Senator LUGAR has been the Senate's most passionate and effective advocate of arms control and nuclear nonproliferation. The program he created with former Senator Sam Nunn has assisted Russia and other

countries of the former Soviet Union to secure and dispose of their weapons of mass destruction. What an amazing accomplishment by Senator LUGAR. I also want to salute Senator LUGAR's record of principled, conscientious leadership on the Committee on Agriculture, Nutrition, and Forestry, including as chairman from 1995 to 2001.

He is a key author of landmark measures strengthening Federal agricultural conservation policies and programs, particularly in the 1985 farm bill and succeeding farm bills.

He has been instrumental in strengthening—and in fighting for at critical junctures—Federal nutrition assistance, including school lunch, breakfast, and other child nutrition programs through the Supplemental Nutrition Assistance Program and through support for food banks and other emergency food assistance. DICK LUGAR has also been an outstanding leader in enacting Federal initiatives to research, develop, and market farm and forest commodities by converting them to energy and bio-based products.

For me, it has been a great honor to be Senator LUGAR's friend and colleague for 36 years and to serve all of that time with him on the Agriculture Committee. Our friendship, of course, will continue, but I will miss, as we all will, Senator LUGAR's calm, positive, always constructive influence on this body. Across 36 years of distinguished service, this Senator and statesman has faithfully served the people of Indiana and the United States. There is no doubt that he will pursue new avenues of public service in retirement.

So I will miss his day-to-day friendship and his counsel in the Senate. I wish DICK and his wonderful wife Char all the best in the years ahead.

DANIEL AKAKA

Mr. President, we are bidding farewell to one of our most respected and beloved Members, Senator DANIEL AKAKA of Hawaii or, as we all know him, "DANNY."

With his retirement, our friend is bringing to a close a remarkable and distinguished career in public service spanning nearly seven decades. Having witnessed, as a 17-year-old boy, the Japanese attack on Pearl Harbor, he took a civilian job with the Army Corps of Engineers before joining the U.S. Army in 1945. We honor him, along with his senior colleague from Hawaii, Senator INOUE, and Senator LAUTENBERG, as the only veterans of World War II still serving in the Senate.

Not surprisingly, Senator AKAKA has been a leader on veterans issues. He served as chairman of the Committee on Veterans' Affairs in the 110th and 111th Congresses, and he remained active on that committee despite relinquishing his chairmanship in the current Congress in order to chair the Committee on Indian Affairs.

We will not soon forget Senator AKAKA's retort when another Senator was holding up a package of veterans benefits, demanding that the costs of the veterans benefits be offset.