

participated in the June 6, 1944, amphibious landing at Normandy, France, and commending them for leadership and valor in an operation that helped bring an end to World War II.

At the request of Mr. RUBIO, his name was added as a cosponsor of S. Res. 421, *supra*.

At the request of Ms. LANDRIEU, the name of the Senator from New Hampshire (Mrs. SHAHEEN) was added as a cosponsor of S. Res. 421, *supra*.

At the request of Mr. SHELBY, his name was added as a cosponsor of S. Res. 421, *supra*.

## S. RES. 445

At the request of Mrs. FEINSTEIN, the names of the Senator from Ohio (Mr. BROWN), the Senator from Maine (Ms. COLLINS), the Senator from Illinois (Mr. DURBIN), the Senator from Maine (Mr. KING), the Senator from Kansas (Mr. MORAN), the Senator from Minnesota (Ms. KLOBUCHAR) and the Senator from Hawaii (Mr. SCHATZ) were added as cosponsors of S. Res. 445, a resolution recognizing the importance of cancer research and the contributions of scientists, clinicians, and patient advocates across the United States who are dedicated to finding a cure for cancer, and designating May 2014 as "National Cancer Research Month".

## S. RES. 451

At the request of Mr. BARRASSO, the names of the Senator from Florida (Mr. RUBIO) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. Res. 451, a resolution recalling the Government of China's forcible dispersion of those peaceably assembled in Tiananmen Square 25 years ago, in light of China's continued abysmal human rights record.

## AMENDMENT NO. 3073

At the request of Mr. ROBERTS, the names of the Senator from Arizona (Mr. FLAKE), the Senator from New Hampshire (Ms. AYOTTE), the Senator from Missouri (Mr. BLUNT), the Senator from North Carolina (Mr. BURR), the Senator from Kentucky (Mr. McCONNELL), the Senator from Georgia (Mr. ISAKSON), the Senator from Maine (Ms. COLLINS), the Senator from Tennessee (Mr. ALEXANDER) and the Senator from Idaho (Mr. CRAPO) were added as cosponsors of amendment No. 3073 intended to be proposed to H.R. 3474, a bill to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act.

## AMENDMENT NO. 3119

At the request of Mr. HARKIN, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of amendment No. 3119 intended to be proposed to H.R. 3474, a bill to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage

under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act.

## AMENDMENT NO. 3144

At the request of Mr. BARRASSO, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of amendment No. 3144 intended to be proposed to H.R. 3474, a bill to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act.

## AMENDMENT NO. 3165

At the request of Mr. HATCH, the names of the Senator from Kentucky (Mr. McCONNELL), the Senator from South Dakota (Mr. THUNE), the Senator from New Hampshire (Ms. AYOTTE), the Senator from Missouri (Mr. BLUNT), the Senator from North Carolina (Mr. BURR) and the Senator from Arizona (Mr. FLAKE) were added as cosponsors of amendment No. 3165 intended to be proposed to H.R. 3474, a bill to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act.

## AMENDMENT NO. 3166

At the request of Mr. HATCH, the names of the Senator from Missouri (Mr. BLUNT), the Senator from North Carolina (Mr. BURR) and the Senator from Arizona (Mr. FLAKE) were added as cosponsors of amendment No. 3166 intended to be proposed to H.R. 3474, a bill to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act.

## AMENDMENT NO. 3169

At the request of Mr. ENZI, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of amendment No. 3169 intended to be proposed to H.R. 3474, a bill to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act.

## AMENDMENT NO. 3177

At the request of Mr. CARDIN, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of amendment No. 3177 intended to be proposed to H.R. 3474, a bill to amend the Internal Revenue Code of 1986 to allow employers to ex-

empt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act.

## AMENDMENT NO. 3203

At the request of Mr. CARDIN, the names of the Senator from Minnesota (Ms. KLOBUCHAR), the Senator from Rhode Island (Mr. REED) and the Senator from Vermont (Mr. SANDERS) were added as cosponsors of amendment No. 3203 intended to be proposed to H.R. 3474, a bill to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act.

## AMENDMENT NO. 3214

At the request of Ms. KLOBUCHAR, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of amendment No. 3214 intended to be proposed to H.R. 3474, a bill to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. MURKOWSKI:

S. 2357. A bill to provide for improvements in the consistency of data collection, reporting, and assessment in connection with the suicide prevention efforts of the Department of Defense; to the Committee on Armed Services.

Ms. MURKOWSKI. Mr. President I have come to the floor today to introduce a piece of legislation that I feel is timely and critically necessary, the Department of Defense Suicide Tracking Act of 2014. As our Nation winds down involvement in the longest war in our history, it is incumbent on all of us to ensure that the men and women who have carried the burden of combat in Iraq, Afghanistan, and other parts of the world, as well as their family members, are taken care of to the fullest extent possible. That means we must address the tragic suicide epidemic in our military. While the services have focused on this problem for years, there still appears to be significant gaps, especially in reserve component and dependent tracking and analysis. This is a complex issue with no obvious solutions, but I intend to work with my colleagues in the Senate to develop comprehensive, meaningful ways to address this problem.

The DoD recently released its 2012 DoD Suicide Event Report, which concluded that there were a total of 319 active component suicides and 203 reserve

component suicides in 2012. That equates to 22.7 and 24.2 for every 100,000 service members, respectively. Additionally, there were a total of 841 attempted suicides in 2012. While preliminary data suggests that 2013 had an 18 percent drop in suicides, this is still a significant and tragic problem in the military that we need to tackle head-on. The report doesn't include any data for dependent suicide or attempted suicide, because currently only the U.S. Army even tries to track that information, so there is no comprehensive assessment of how years of combat and readiness have impacted military dependents in that way.

The purpose of the DoD Suicide Tracking Act is to establish programs to consistently track and analyze information regarding suicides involving members of the reserve components and dependents of regular and reserve component members. Specifically, the bill would improve consistency in reserve component suicide prevention and resiliency programs by requiring the Secretary of Defense to develop a standard method for collecting, reporting, and assessing suicide data and suicide attempt data involving members of the National Guard and Reserves. Alaskans are extremely proud of the contributions of our National Guard and Reserve members, both home and abroad. They have endured the stress of readiness, deployments and combat like the active component, making us all very proud. As such, it is time that we ensure the Department of Defense is tracking and addressing their mental well-being just like every other military member.

According to an annual survey by the Blue Star Families military family advocacy group, of 5,100 military family members surveyed in 2012, 9 percent of military spouses reported that they had considered suicide. Of those, nearly a quarter said they had not sought help. This bill would establish a Department of Defense suicide prevention program for military dependents that requires each service to implement programs to track, report and analyze information regarding suicides. We often talk about the burden placed on military family members, but when it comes to suicide we have simply cut them out of the conversation. This bill would ensure the DoD finally focuses on the hardship and emotional stress born by military dependents and keeps them in the picture when evaluating the problem and working towards a solution. Our military family members have endured countless deployments, cared for injured service members, and picked up the pieces when heroes have made the ultimate sacrifice. I intend to make sure our government cares for them and gives them options beyond suicide to recover from their pain and emotional stress.

Suicide among the active military, reserve and veteran populations continues to be a problem that doesn't appear to be improving. Sadly, the prob-

lem will likely get worse before it improves as the war in Afghanistan winds down and the services downsize, sending veterans with complex mental issues into the private sector without the military for support. That is why we need to improve our efforts now to proactively identify and care for these service members and their families as soon as possible and with the full resourcing of the Department of Defense. Our military men and women, and their families, have endured years of conflict across the world. They embody the proud tradition of selfless service to our Nation and I cannot thank them enough for everything they do. I call on all of my colleagues in the Senate to help those who have dedicated their lives to helping others and who, day in and day out, make the ultimate sacrifice in the defense of our freedoms.

I would like to thank Representative NIKI TSONGAS for her leadership on this issue and introduction of the House companion bill, H.R. 4504.

By Mr. LEVIN (for himself, Mr. WHITEHOUSE, Mr. ROCKEFELLER, Mr. CARDIN, Mrs. BOXER, Mr. NELSON, Mr. JOHNSON of South Dakota, Mrs. FEINSTEIN, Mr. KAINE, Ms. HIRONO, Mr. KING, Ms. STABENOW, Mr. SCHATZ, Ms. WARREN, Mr. REED, Mr. HARKIN, Mr. FRANKEN, Mr. DURBIN, Mr. WALSH, and Ms. KLOBUCHAR):

S. 2360. A bill to amend the Internal Revenue Code of 1986 to modify the rules relating to inverted corporations; to the Committee on Finance.

Mr. LEVIN. Mr. President, along with 16 cosponsors, I have introduced and am introducing today the Stop Corporate Inversions Act of 2014.

This legislation is designed to address a loophole which, unless we close it, will be used to unleash a flood of corporate tax avoidance that threatens to shove billions of dollars in tax burden from profitable multinational corporations onto the backs of their American competitors and other American taxpayers.

The issue we seek to address is known technically as corporate inversion. The details of inversion sound complex, but the principle is not. Inversion means avoiding potentially billions of dollars of U.S. taxes by changing a corporation's address for tax purposes to an offshore location. What we have is a tax avoidance scheme, an enormous loophole that allows companies to avoid billions in taxes without any significant change in where they operate, where their profits are generated, or where the location is of the executives who manage and control these corporations.

A recent prominent example involves Pfizer, a U.S. drug company, and AstroZeneca, a U.K.-based company. This proposed corporate takeover, which Pfizer makes abundantly clear is all about avoiding U.S. taxes, has gotten a lot of attention, and for good rea-

son. It would cost the United States about \$1 billion a year in tax revenue. But this is not just about two companies. This is not just about one merger, even a merger that could shove billions of dollars of tax burden on other U.S. taxpayers. The Pfizer-AstroZeneca deal is the latest example of abusive inversion deals. You cannot pick up a newspaper's business section these days without reading about what Reuters calls "a wave of tax-driven overseas deal-making." Some companies that believe they are meeting their tax obligations are under competitive pressure to invert. It is clear dozens, perhaps scores, of companies are preparing to file their change-of-address cards and in doing so avoid billions in U.S. taxes. That burden doesn't just go away. Either our remaining constituents must pick up the tab or the loss of Treasury revenue adds to the Federal deficit.

We tightened the rules regarding inversion schemes in 2004, and we did so promptly and on a bipartisan basis, but recent events show an enormous loophole remains, and so our bill seeks to address that loophole, and I hope once again we can do so promptly and on a bipartisan basis.

Essentially the problem we have today is that a U.S.-based multinational can file a change-of-address card with the IRS simply by acquiring an offshore company that is much smaller than the U.S. company. Our bill would ensure that any inversion would meet a much more stringent test.

Under current law, companies can pull off an inversion with a fraction of their stock, just over 20 percent, in the hands of the new stockholders overseas. Our bill would raise that threshold to 50 percent or more. In addition, it would stop tax-avoiding inversions in cases where management and control remain in the United States.

President Obama's 2014 budget included a similar proposal which one expert told the New York Times "essentially eliminates inversions as we know them."

Our bill provides for a 2-year moratorium of tax avoidance through the use of inversions. Why a 2-year moratorium? This is in response to a number of our colleagues who say this is an issue which should wait for comprehensive tax reform. We all believe in comprehensive tax reform—or most of us do—but it is going to take time and it is uncertain. These corporate inversions represent an immediate threat. Our Treasury is bleeding from these inversions and from other loopholes which corporations use to avoid paying taxes. This bill is first aid for the Tax Code. A 2-year moratorium on inversions that do not meet our tougher standard stops the bleeding while we debate the comprehensive tax reform that most of us believe is desirable.

As of this moment, however, there is no comprehensive tax reform legislation pending in either Chamber of Congress. There is no debate scheduled.

There is, in fact, not a single comprehensive tax reform proposal that has been formally introduced as legislation. That is not because no one in Congress cares about tax reform; nearly everybody does. But broadly reforming taxes is a complicated and time-consuming process.

But we simply cannot wait. Multinationals are exploiting this loophole today. Meanwhile, hard-working American taxpayers and small business owners and even large corporations that have to compete with the tax avoiders but believe that inversion is wrong for their companies and for America see their tax burden rise while our national debt grows. How do we look them in the eye and say, “We had a way to halt this gimmick, but we decided to wait for comprehensive reform that may or may not ever materialize?”

This is similar to what Congress did on a bipartisan basis a decade ago. Then Senators Baucus and GRASSLEY jointly declared they were working on legislation to stop abusive tax inversions. The bill, along with Chairman WYDEN’s announcement 2 weeks ago, should make clear to companies that considering tax inversion is now a mistake, because they are now on notice that it is not going to gain anything if a bill that prohibits tax avoidance through tax inversion passes, because the chairman of the Finance Committee has made it clear such a bill is going to be effective as of May 8 of this year, regardless of when the bill passes.

So companies are on notice. There is no use rushing to the door to invert, or leaving the country to invert. It won’t do them any good if the Finance Committee chairman has his way with either of these bills or other bills that set an appropriate date, such as May 8, to pass the Congress.

These multinational companies benefit from the safety and security the U.S. Government provides. Our troops protect them. Our intellectual property rights protections allow them to profit from their innovation. They benefit from federally funded research. They claim tax subsidies for their research and development. They raise capital in U.S. securities markets that are the envy of the world, thanks to the rule of law this government protects.

In the last 4 years, one of the companies at the center of this debate, Pfizer, received more than \$4.4 billion in taxpayer money for federal contracts. Last month the Centers for Disease Control and Prevention awarded Pfizer a \$1.1 billion contract.

Yet that company and others are now poised to shortchange Uncle Sam by billions of dollars simply by changing their address for tax purposes. I am sure most of our constituents wish they could do that. Michigan taxpayers cannot reduce their tax bill with the stroke of a pen. Michigan small businesses cannot pretend they are based offshore for tax purposes. There is no pretense that any of these corporate

inversions make sense from any standpoint other than avoiding U.S. taxes. That is their motivation and these companies aren’t shy about saying so. They will continue to operate in the United States. The executives who manage them will continue to live and work in the United States. They will live under the umbrella of protection that our men and women in uniform provide, at the same time that we are cutting support to those same men and women because of the deficit these tax avoidance schemes have helped to create.

Few even try to defend these inversions on principle. They are simply tax avoidance. Even the corporate executives who engineer them make little pretense as to any other purpose. So let us reform the Tax Code, yes. But while we craft and debate that reform, let us stop these transactions that add massively to our deficit and to the burden America’s working families and small businesses must carry.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2360

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the “Stop Corporate Inversions Act of 2014”.

#### SEC. 2. MODIFICATIONS TO RULES RELATING TO INVERTED CORPORATIONS.

(a) IN GENERAL.—Subsection (b) of section 7874 of the Internal Revenue Code of 1986 is amended to read as follows:

“(b) INVERTED CORPORATIONS TREATED AS DOMESTIC CORPORATIONS.—

“(1) IN GENERAL.—Notwithstanding section 7701(a)(4), a foreign corporation shall be treated for purposes of this title as a domestic corporation if—

“(A) such corporation would be a surrogate foreign corporation if subsection (a)(2) were applied by substituting ‘80 percent’ for ‘60 percent’, or

“(B) such corporation is an inverted domestic corporation.

“(2) INVERTED DOMESTIC CORPORATION.—For purposes of this subsection, a foreign corporation shall be treated as an inverted domestic corporation if, pursuant to a plan (or a series of related transactions)—

“(A) the entity completes after May 8, 2014, and before May 9, 2016, the direct or indirect acquisition of—

“(i) substantially all of the properties held directly or indirectly by a domestic corporation, or

“(ii) substantially all of the assets of, or substantially all of the properties constituting a trade or business of, a domestic partnership, and

“(B) after the acquisition, either—

“(i) more than 50 percent of the stock (by vote or value) of the entity is held—

“(I) in the case of an acquisition with respect to a domestic corporation, by former shareholders of the domestic corporation by reason of holding stock in the domestic corporation, or

“(II) in the case of an acquisition with respect to a domestic partnership, by former partners of the domestic partnership by reason of holding a capital or profits interest in the domestic partnership, or

“(ii) the management and control of the expanded affiliated group which includes the entity occurs, directly or indirectly, primarily within the United States, and such expanded affiliated group has significant domestic business activities.

“(3) EXCEPTION FOR CORPORATIONS WITH SUBSTANTIAL BUSINESS ACTIVITIES IN FOREIGN COUNTRY OF ORGANIZATION.—A foreign corporation described in paragraph (2) shall not be treated as an inverted domestic corporation if after the acquisition the expanded affiliated group which includes the entity has substantial business activities in the foreign country in which or under the law of which the entity is created or organized when compared to the total business activities of such expanded affiliated group. For purposes of subsection (a)(2)(B)(iii) and the preceding sentence, the term ‘substantial business activities’ shall have the meaning given such term under regulations in effect on May 8, 2014, except that the Secretary may issue regulations increasing the threshold percent in any of the tests under such regulations for determining if business activities constitute substantial business activities for purposes of this paragraph.

“(4) MANAGEMENT AND CONTROL.—For purposes of paragraph (2)(B)(ii)—

“(A) IN GENERAL.—The Secretary shall prescribe regulations for purposes of determining cases in which the management and control of an expanded affiliated group is to be treated as occurring, directly or indirectly, primarily within the United States. The regulations prescribed under the preceding sentence shall apply to periods after May 8, 2014.

“(B) EXECUTIVE OFFICERS AND SENIOR MANAGEMENT.—Such regulations shall provide that the management and control of an expanded affiliated group shall be treated as occurring, directly or indirectly, primarily within the United States if substantially all of the executive officers and senior management of the expanded affiliated group who exercise day-to-day responsibility for making decisions involving strategic, financial, and operational policies of the expanded affiliated group are based or primarily located within the United States. Individuals who in fact exercise such day-to-day responsibilities shall be treated as executive officers and senior management regardless of their title.

“(5) SIGNIFICANT DOMESTIC BUSINESS ACTIVITIES.—For purposes of paragraph (2)(B)(ii), an expanded affiliated group has significant domestic business activities if at least 25 percent of—

“(A) the employees of the group are based in the United States,

“(B) the employee compensation incurred by the group is incurred with respect to employees based in the United States,

“(C) the assets of the group are located in the United States, or

“(D) the income of the group is derived in the United States,

determined in the same manner as such determinations are made for purposes of determining substantial business activities under regulations referred to in paragraph (3) as in effect on May 8, 2014, but applied by treating all references in such regulations to ‘foreign country’ and ‘relevant foreign country’ as references to ‘the United States’. The Secretary may issue regulations decreasing the threshold percent in any of the tests under such regulations for determining if business activities constitute significant domestic business activities for purposes of this paragraph.”

#### (b) CONFORMING AMENDMENTS.—

(1) Clause (i) of section 7874(a)(2)(B) of such Code is amended by striking “after March 4, 2003,” inserting “after March 4, 2003, and before May 9, 2014, or after May 8, 2016,”

(2) Subsection (c) of section 7874 of such Code is amended—

(A) in paragraph (2)—

(i) by striking “subsection (a)(2)(B)(ii)” and inserting “subsections (a)(2)(B)(ii) and (b)(2)(B)(i)”, and

(ii) by inserting “or (b)(2)(A)” after “(a)(2)(B)(i)” in subparagraph (B),

(B) in paragraph (3), by inserting “or (b)(2)(B)(i), as the case may be,” after “(a)(2)(B)(ii)”,

(C) in paragraph (5), by striking “subsection (a)(2)(B)(ii)” and inserting “subsections (a)(2)(B)(ii) and (b)(2)(B)(i)”, and

(D) in paragraph (6), by inserting “or inverted domestic corporation, as the case may be,” after “surrogate foreign corporation”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after May 8, 2014.

By Mr. NELSON (for himself, Ms. COLLINS, Mr. CARPER, Mr.

GRASSLEY, and Mr. CASEY):

S. 2361. A bill to amend title XVIII of the Social Security Act to crack down on fraud in the Medicare program to protect seniors, people with disabilities, and taxpayers; to the Committee on Finance.

Mr. NELSON. Mr. President, I am joined today by my colleague Senator COLLINS to introduce legislation aimed at strengthening the government's hand in stopping Medicare fraud. Senator COLLINS and I have tried to offer some decent leadership to the Senate Special Committee on Aging and in the process we have heard a lot about Medicare and Medicaid fraud. I want to thank Senators CARPER, GRASSLEY, and CASEY for partnering with us to sponsor this legislation we are introducing today.

Earlier in the year Senator COLLINS and I convened a hearing of the aging committee to examine what government was doing to prevent Medicare fraud. The committee heard from law enforcement that despite the recent increase in prosecutions, Medicare fraud continues to run rampant. It is especially true in my State of Florida, where South Florida remains, unfortunately, ground zero for Medicare fraud.

We also heard from the Medicare organization itself about what the program is doing to try to better detect and prevent con artists from defrauding the system.

Then we heard from victims such as Patricia Gresko, a former schoolteacher from Michigan. She testified about this unbelievable scam where her doctor talked her into spending thousands of dollars for treatments for an illness she later discovered she didn't have. These treatments caused her to have chest pains and forced her to endure intravenous infusions that took hours.

Her doctor was arrested for bilking \$225 million from Medicare. This is what he did: falsely telling patients they had cancer—if you can believe that, that they had cancer—so he could bill for expensive chemotherapy treatments. Ms. Gresko did not have cancer, but she had to endure all of that.

Today we are losing about \$60 billion to \$90 billion a year in Medicare fraud.

Just last week, Federal agents arrested 90 people—50 of them, you guessed it, from Miami—on charges they had stolen \$260 million from the Medicare Program. Fortunately, when we passed the Affordable Care Act, we put in provisions—some, I might say, at my insistence, because of ground zero being in my State—such as background checks, site visits for prospective Medicare providers and suppliers, and another one being stronger criminal and civil penalties, with the authority to withhold payment in law where there is a credible allegation of fraud. Those are just a few of the weapons in law as a result of the ACA.

This recent set of arrests of 90 people on charges of Medicare fraud tells us something else: We have to stop playing the game of Whac-A-Mole with Medicare criminals in trying to stamp out the fraud one bad actor at a time. You know what Whac-A-Mole is. You whack this creature on a table, and once you have whacked it, it pops right back up. So naturally, we talked to Sylvia Burwell, the President's nominee for Secretary of HHS. She echoed that last week at her confirmation hearing in the Finance Committee. She stated that we need to move away from the pay-and-chase model—which is what has happened. You have to chase them down. If you catch them, they pop back up again. So we need a better strategy.

While we are making strides by more aggressively pursuing this kind of fraud, obviously more needs to be done. That is why today Senator COLLINS and I are introducing the Stop SCAMS Act. It will require Medicare to verify that those wishing to bill Medicare have not owned a company that previously defrauded the government. It is going to also allow private insurers and Medicare to share information about the potential fraudulent operators in the system.

The bill also anticipates problems CMS may face in the future. It doesn't delay the rollout of the 10 new medical codes in any way—or shall I say what they refer to as the ICD-10 medical codes; there are a lot more of those medical codes—but it takes some lessons learned from the costly delays that have occurred with these codes and uses them to make the process better in the future. The legislation also requires, for the new medical coding systems after the ICD-10, that the agency assess the impact on fraud-prevention systems and do appropriate testing.

Combating this fraud will continue to be one of the core missions of our Committee on Aging. We have taken a look at many types of fraud scams—Jamaican phone scams, identity theft, Social Security fraud, payday lending—and now we are continuing to focus on Medicare fraud and will continue to examine additional issues.

Every day, Senator COLLINS and I hear from seniors about scams, and they let us know on our committee's

hotline. I remind everybody: This hotline is there for you to report these scams—1-855-303-9470—and we are going to keep this committee going after these scams.

In the meantime, Senator COLLINS and I hope our colleagues will join us in support of this legislation to try to further clamp down on Medicare fraud. I am so happy to have the partner I have in helping lead the Committee on Aging, Senator COLLINS.

In closing, I would say that we really have a broad array of folks supporting us on this legislation: the National Health Care Anti-Fraud Association, America's Health Insurance Plans, Blue Cross and Blue Shield Association, the National Coalition Against Insurance Fraud, the National Insurance Crime Bureau, and Humana Insurance Company. They are all supporters of this legislation.

Mr. President, I await the comments of my colleague.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, I am delighted to join my friend, the chairman of the Senate Committee on Aging, Senator NELSON, in introducing legislation to help combat fraud in the Medicare Program. We are introducing the Stop Schemes and Crimes Against Medicare and Seniors Act, or the Stop SCAMS Act.

As Senator NELSON has described, at our hearings earlier this year we heard absolutely appalling testimony from a woman who had to endure painful, 7-hour-long series of infusions for a disease she did not have just because her doctor was bilking the Medicare Program.

Imagine a physician who would do that, who would subject a vulnerable patient to the anxiety of thinking she had a disease she did not have and then treat her for a disease she did not have just to collect Medicare dollars. It really was appalling.

For decades the Government Accountability Office—GAO—has identified Medicare as being at high risk for improper payments, abuse, and fraud. In the year 2012 Medicare reported that it had lost more than \$44 billion in improper payments due to waste, fraud, abuse, and mismanagement—and that estimate may well be too low. Think what we could do with \$44 billion to improve the quality of health care and the coverage we are providing to our seniors or to reduce our unsustainable national debt. This is simply unacceptable.

The loss of these funds not only compromises the financial integrity and increases the costs of the Medicare Program, but it also undermines our ability to provide needed health care services to the more than 54 million older and disabled Americans who depend on this vital program.

Back in the late 1990s when I was chairman of the Permanent Subcommittee on Investigations, we held a series of hearings to examine fraud in

the Medicare Program. We identified the dangerous trend of an increasing number of completely bogus providers entering the system with the sole and explicit purpose of robbing it. One of our witnesses actually testified that he went into Medicare fraud because it was easier and safer than dealing in drugs; he could make a lot more money at far less risk of being caught.

Our hearings led to the adoption of some safeguards and better internal controls. But many years later what our continuing hearings have demonstrated is that unscrupulous individuals are always adopting and seeking out new ways to rip off the system. They seem to be always one step ahead of the authorities.

I do wish to emphasize an extremely important point; that is, the vast majority of medical professionals are caring, dedicated health care providers whose top priority is the welfare of their patients.

When we were investigating Medicare fraud in the late 1990s, what we found were a whole lot of individuals posing as health care providers who had no medical training whatsoever. I remember one memorable case where, had there been a site visit, it would have been discovered that this bogus provider had an office in the middle of the runway of the Miami airport. But, unfortunately, back then there were no site visits.

Health care providers—the true professionals—are the ones who are most appalled by the unscrupulous bandits who take advantage of weaknesses in the Medicare Program to bleed billions of dollars from the program.

As I indicated, we have made some progress over the years in the battle against Medicare fraud since I chaired those hearings. Unfortunately, however, there is no line item in the budget titled “waste, fraud, and abuse” that we can simply strike to eliminate this problem and solve it once and for all.

The task of ferreting out wasteful and fraudulent spending is made all the more difficult by the ingenuity of the scam artists, who continually adopt new methods of ripping off both the Medicare and the Medicaid Programs.

It is clear, as my distinguished chairman indicated, that we must do more than shift from a pay-and-chase strategy to combat Medicare fraud to one that prevents the harm from ever occurring in the first place. That is what the bipartisan bill we are introducing today would do.

Among other provisions, our legislation would require Medicare to verify health care provider ownership interests using other databases before new health care providers are allowed to enroll in the program. That is an upfront control that we can and should implement. Currently, Medicare relies on self-reported information. As a consequence, providers who previously had an ownership interest in an organization that defrauded Medicare can potentially get back into the program by

simply using different names and failing to disclose their interest in the previous organization or practice.

Our legislation would also allow private insurers to share information about potentially fraudulent providers with Medicare and with each other to prevent further health care fraud.

It would also allow the Medicare Payment Advisory Commission to make recommendations to us regarding fraud prevention, and our bill would require the Medicare Program to develop a strategy for more accurately and reliably estimating how many dollars are lost each year to fraud.

As the chairman indicated, our legislation is endorsed by a wide variety of organizations, including the National Health Care Anti-Fraud Association, the Blue Cross and Blue Shield Association, Humana, America's Health Insurance Plans, and the Coalition Against Insurance Fraud.

I urge all of my colleagues on both sides of the aisle to join us in cosponsoring this important bill—legislation that I believe really can make a difference. I hope this is a bill we can move quickly. It is a commonsense bill. It will save taxpayer and beneficiary dollars, and it will help to curb the excessive fraud, the unacceptable fraud that is depleting dollars from a program—the Medicare Program—that is already under financial strain.

So let's move this bill. Let's send it to the House and on to the President for his signature as soon as possible.

Mr. President, I again commend the Senator from Florida for his leadership. It has been a great pleasure to work with him on this important issue.

#### SUBMITTED RESOLUTIONS

##### SENATE RESOLUTION 452—TO AUTHORIZE TESTIMONY, DOCUMENTS, AND REPRESENTATION IN CITY OF LAFAYETTE V. BRYAN BENOIT

Mr. REID (for himself and Mr. McCONNELL) submitted the following resolution; which was considered and agreed to:

S. RES. 452

Whereas, in the case of *City of Lafayette v. Bryan Benoit*, Case No. CC201303991, pending in City Court in Lafayette, Louisiana, the prosecution has requested the production of testimony from two current employees in the Lafayette, Louisiana office of Senator David Vitter, and one former employee of that office;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288c(a)(2), the Senate may direct its counsel to represent current and former employees of the Senate with respect to any subpoena, order, or request for testimony relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial or administrative process, be taken from such control or possession but by permission of the Senate; and

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

*Resolved*, That Nicole Hebert and Kathy Manuel, current employees in the Office of Senator David Vitter, and Thomas Hebert, a former employee of that office, and any other employee of the Senator's office from whom relevant evidence may be necessary, are authorized to produce documents and provide testimony in the case of *City of Lafayette v. Bryan Benoit*, except concerning matters for which a privilege should be asserted.

SEC. 2. The Senate Legal Counsel is authorized to represent current and former employees of Senator Vitter's office in connection with the production of evidence authorized in section one of this resolution.

#### AMENDMENTS SUBMITTED AND PROPOSED

SA 3225. Ms. AYOTTE submitted an amendment intended to be proposed by her to the bill H.R. 3474, to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act; which was ordered to lie on the table.

SA 3226. Ms. AYOTTE submitted an amendment intended to be proposed to amendment SA 3060 proposed by Mr. WYDEN to the bill H.R. 3474, supra; which was ordered to lie on the table.

#### TEXT OF AMENDMENTS

SA 3225. Ms. AYOTTE submitted an amendment intended to be proposed by her to the bill H.R. 3474, to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

##### TITLE —OTHER PROVISIONS

##### SEC. 01. EXCLUSION OF CERTAIN COMPENSATION RECEIVED BY PUBLIC SAFETY OFFICERS AND THEIR DEPENDENTS.

(a) IN GENERAL.—Subsection (a) of section 104 is amended by striking “and” at the end of paragraph (4), by striking the period at the end of paragraph (5) and inserting “; and”, and by inserting after paragraph (5) the following new paragraph:

“(6) amounts received pursuant to—

“(A) section 1201 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796); or

“(B) a program established under the laws of any State which provides monetary compensation for surviving dependents of a public safety officer who has died as the direct and proximate result of a personal injury sustained in the line of duty.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received after the date of the enactment of this Act.

SA 3226. Ms. AYOTTE submitted an amendment intended to be proposed to