

At yesterday's hearing, my Republican friends—and, again, some Democrats—made the very valid point that we have to go further than just reallocation, that we need a long-term solution to make certain our children and our grandchildren will have all of the benefits to which they were promised. I agree with that sentiment. That is why last year I introduced far-reaching Social Security legislation which in fact would make Social Security solvent for decades to come.

The concept behind this legislation is pretty simple. It would simply apply the Social Security payroll tax on income above \$250,000. In other words, it would scrap the cap that currently exists. Right now in the midst of massive wealth and income inequality in our country, a Wall Street CEO who makes \$20 million a year pays the same amount into Social Security as someone who makes \$118,500. If you make \$20 million or you make \$118,000, the amount of money you put into the Social Security trust fund is the same because the cap is now at \$118,000.

In 2013 I asked the Chief Actuary of the Social Security Administration to estimate how long the solvency of Social Security would be extended if we simply applied the Social Security payroll tax on income above \$250,000. His answer was that Social Security would be made solvent until 2060—45 years from today. I refer my colleagues to the letter from the Social Security Chief Actuary that I had printed in the CONGRESSIONAL RECORD on February 5 of this year.

Further, the Center for Economic and Policy Research has estimated that my proposal—my legislation—would only impact the top 1.5 percent of wage earners. More than 98.5 percent of Americans would not see their taxes go up by one dime under this plan.

So I say to my colleagues, if you want to extend the solvency of Social Security—not just for the next 18 years, which is currently the case, but for the next 40 to 45 years—I hope you will join me in making sure the very wealthiest people in our country—the top 1.5 percent—pay their fair share into the Social Security trust fund. To my mind that is a much better idea than raising the retirement age, forcing hard-pressed workers to work another year or two before they get their benefits. It is a much better idea than cutting the cost of living adjustment. It is a much better idea than many of the ideas I have been hearing for the last few years.

We all know that the huge increase that we have seen in this country in wealth and income inequality has resulted in millions of Americans seeing a decline in their income, and we have people from one end of this country to the other working longer hours for lower wages.

In fact, while the wealthiest people have become much richer, real median family income today is almost \$5,000 less than it was in 1999. Incredibly, the

typical male worker—the man right in the middle of our economy—made \$783 less last year than he did 42 years ago. The typical female worker—the woman in the middle of the economy—earned \$1,300 less last year than she did in 2007.

Today the top one-tenth of 1 percent owns more wealth than the bottom 90 percent. As this chart shows, the top one-tenth of 1 percent owns as much wealth as the bottom 90 percent. In terms of income what we are looking at is a situation where almost all of the new income generated since the Wall Street crash goes to the top 1 percent.

Why is this significant? Well, obviously it is significant because millions of Americans have not seen growth in their income. In fact, they have seen a decline in their income. But what makes it also significant is that this decline in income for millions of Americans—this growth in income and wealth disparity—has also had a profound impact on the solvency of Social Security.

I want all of my colleagues to understand that if income inequality remained at the same level today as it was in 1983, Social Security would have \$1.1 trillion more in the trust fund than it does today. Why? Because, obviously, when workers saw their wages go down, less money went into the Social Security trust fund. When people on the top went over the cap, they were no longer contributing from their income that was above the cap. So less money goes into the Social Security trust fund.

If the payroll tax had simply continued to cover 90 percent of all earnings, which it did in 1983, rather than the 83 percent that it covers today, the Social Security trust fund would be able to pay every benefit owed to every eligible American—not just for the next 18 years but for the next 38 years.

So when we talk about income and wealth inequality in this country, that is not only a tragedy unto itself; when we see the middle class shrinking and real wages for American workers going down, in some cases significantly, it is also a major problem for the Social Security trust fund.

Once again, if income levels had remained the same today as they were in 1983—if incomes had gone up rather than gone down—we would see over \$1 trillion more in the Social Security trust fund.

So, I agree with my Republican colleagues who say that doing the reallocation for the disability trust fund is a temporary solution. It is. But it is an important solution, and it is something that has been done 11 times in the past. It is something that is supported by the AARP and every major senior organization. It is something we must do right now to prevent a 19-percent cut in benefits for some of the most vulnerable people in this country. So I won't argue with anyone who says, well, that doesn't go far enough. We need a long-term solution.

So I challenge my Republican friends: Do you have the courage to come up with a solution other than cutting benefits for seniors? Do you have the courage to come up with an idea that says: No, it is bad, it is wrong to raise the retirement age, and it is wrong to cut cost of living adjustments.

Are you prepared to deal with the reality that because of the growing disparity in income in America, we have lost substantial funding for Social Security, and the way to address that issue—the way to extend Social Security—is to ask the people on top, the people who have been doing phenomenally well in recent years, to pay more into the Social Security trust fund?

I do agree with my Republican colleagues that we have to look at Social Security from a long-term perspective for our kids and our grandchildren.

We have brought forth an idea: Raise the cap. Ask people making more than \$250,000 a year to pay the same percentage of their income into the Social Security trust fund as somebody making \$50,000 a year. I think that is a sensible idea, and I look forward to hearing some of my Republican friends work with us on this concept.

With that, I yield the floor.

The PRESIDING OFFICER (Mr. CASIDY). The Senator from Utah.

PATIENT CARE ACT

Mr. HATCH. Mr. President, last week I joined my colleague Senator BARR in unveiling the latest version of our legislative proposal to repeal and replace the so-called Affordable Care Act. We are joined this time around by our friend in the House, Chairman UPTON of the House Energy and Commerce Committee.

We call our proposal the Patient Choice, Affordability, Responsibility, and Empowerment Act, or the Patient CARE Act for short. As you may recall, we first unveiled this framework last year and in general it received high marks for being a serious, responsible alternative to ObamaCare. We have unveiled the latest version of the proposal in hopes of continuing the conversation we began in the last Congress.

Let's face it. ObamaCare isn't working. It is not working. Sure, its proponents in the Senate and elsewhere have gotten pretty good at cherry-picking data in order to convince the American people that the President's health care law is a success. But the American people know the truth. The law is a disaster for individuals, families, and employers alike.

Despite the claims that ObamaCare would lower health care costs, costs have continued to skyrocket. Due to all the mandates in the law, businesses are slowing hiring and moving employees into part-time work. Of course, the law includes more than a trillion dollars in new taxes that impact consumers and businesses around the country. We need a better path forward

and a long-term vision for sustainable health care reform.

I want to take just a few minutes today to talk about the approach we want to take with the Patient CARE Act and why it is a better approach than the one being taken under ObamaCare. Our plan rests on four simple principles. First, repeal ObamaCare with all its costly mandates, taxes, and regulations. Second, reduce costs by taking the government out of the equation and instead empowering consumers to make choices about their own health care. Third, provide common sense consumer protections, including protections for individuals with preexisting conditions. And fourth, reform our broken Medicaid system by giving States more flexibility to provide the best coverage for their citizens.

Let me talk about each of these principles in a little more detail. For any health care proposal to have a chance of success, it must get rid of ObamaCare. The failures of ObamaCare have been well documented here on the Senate floor and elsewhere. The American people deal with those failures on a daily basis. That is why the first principle of our proposal is to repeal ObamaCare once and for all. Then we move on to address the biggest barrier to health care in this country—skyrocketing costs.

Our plan would give taxpayers affordable options to meet their health care needs by harnessing the power of the marketplace—not through Federal Government mandates. With more options in the private insurance marketplace, people will be better able to find insurance that meets their needs. The lack of choice and draconian coverage mandates is one of ObamaCare's largest shortcomings. Our proposal would allow consumers to find affordable plans that address their particular needs without making them pay for coverage they will never use or want.

Our proposal would also give States more options to provide people with more coverage. Under our plan families earning up to 300 percent of the Federal poverty level would be eligible for a tax credit to purchase insurance of their choosing. In addition, our plan would help small businesses enjoy the same advantages in the marketplace as large businesses by allowing them to band together to leverage their purchasing power to buy insurance for their employees.

The Patient CARE Act also proposes an expansion of the health savings accounts so that people can plan and save for their future medical needs. Under our plan, for the first time consumers would be able to use their pretax dollars to pay premiums and deductibles. Our proposal would inject more transparency into health care costs so people can know what their providers are charging and how successful they are.

In addition, we include other cost-saving measures such as medical malpractice liability reform to help reduce

the expensive practice of unnecessary defensive medicine.

Our plan would reduce the distortions in the Tax Code that actually increase the cost of health care in our country by capping the unlimited employee exclusion. This is a key way of restraining costs that has support across the political and economic spectrum.

In our proposal the exclusion is capped at a generous \$30,000 for a family plan, and that threshold will continue to grow at CPI plus one. Most importantly, we make sure we preserve the employer-sponsored health care system for those 160 million Americans who rely on it by leaving the employer deduction untouched and by repealing the job-killing employer mandate. By increasing consumer choice and utilizing the power of the market, our proposal will actually reduce health care costs, something ObamaCare has miserably failed to do.

Our plan also includes a number of commonsense consumer protections. For example, we would make sure a person would not see their coverage get canceled if they get sick. Our plan would also ensure that people with preexisting conditions could not be denied access to health insurance. Period.

I will repeat that for my friends on the other side, who were confused about this in some of their speeches: No American with a preexisting condition can be denied coverage under our plan. End of story.

We would also let children stay on their parents' plans through age 26 and prevent insurers from putting caps on total benefits paid out over a person's lifetime so that no patient will have to worry about maxing out their coverage.

Finally, our plan would address the current failings of the Medicaid Program. Keep in mind, many of the newly insured people credited to ObamaCare have obtained their coverage through the expansion of Medicaid. Of course, this is absurd as Medicaid is a financially unsound program that continues to swallow up State budgets on a yearly basis. ObamaCare did not improve the stability of Medicaid, it only threatened it further.

The Patient CARE Act includes a key reform that is similar to the Medicaid modernization plan that Chairman UPTON and I proposed in the last Congress.

Currently, Federal taxpayers have an open-ended liability to match State Medicaid spending, which is a significant driver in Medicaid's budgetary challenges. Our proposal would create per capita spending caps—something President Clinton, and many Democrats who remain in this Chamber, supported in the past.

We would couple this structural reform to Medicaid with new flexibility for States to manage their Medicaid populations. On top of that, we would give those on Medicaid the option of purchasing private health insurance,

which is more frequently accepted by quality doctors.

I hope you are grasping a pattern when it comes to this proposal. At virtually every step, our aim with this proposal is to take the Federal Government out of the equation and put individuals and families in charge of making their own health care decisions. We trust the American people to make the best choices for themselves.

The Patient CARE Act represents a sustainable and achievable alternative to ObamaCare, one that will succeed without the tax hikes, the mandates, and the outrageous government spending that came part and parcel with the Affordable Care Act. Most importantly, it will actually reduce the cost of health care in this country.

Once again, our hope with unveiling the latest version of this framework is that we can continue the conversation about improving health care for individuals and families. I have given just a top-line, 35,000-foot overview of the proposal here today. I want to invite my colleagues to take a look at our ideas and give us your feedback. I hope health care experts around the country will continue to do the same.

Unlike ObamaCare, this is a product that will rely on consensus and feedback. We have more work to do. It is important, and I look forward to more discussions and conversations about these issues.

REGULAR ORDER IN THE SENATE

Mr. HATCH. Mr. President, I also rise today to speak about the recent progress we have made in restoring the Senate as an institution.

After being sworn in as President pro tempore just over a month ago, I rose to address the state of the Senate and how we, as Members, must work together to restore its greatness. This is an opportune moment to take stock and to reflect briefly on our progress toward achieving this goal.

I am pleased to report that we have embarked on a new chapter of thoughtful, productive legislating in this Chamber, just as the Framers intended us to and just as the American people expect us to.

We have had hours upon hours of open, constructive debate with arguments from both sides of the aisle. We have considered dozens of amendments reflecting a full range of political viewpoints. The majority leader promised this body that he would restore regular order, and that is precisely what he has done. Not only have we engaged in full-scale debate and considered dozens of amendments, but we have also already passed four major bipartisan bills in a single month to reform and extend the Terrorism Risk Insurance Program, to approve the Keystone XL Pipeline, to address the critically important issue of veteran suicides, and—my bill yesterday—to provide effective restitution for victims of child pornography.

That is what voters elected us to do—to craft good legislation, to debate it,