model insurance policy, known as standard coverage. Insurers could offer alternative policies with different premiums and benefits.''

That is the problem. Rather than having that defined benefit under the Democratic plan, we have under the Republican proposal a standard coverage that does not mean anything because the insurance companies do not have to provide the benefits that are under the standard coverage. They can vary as they see fit.

Again, in this New York Times article from yesterday, ''Nancy-Ann Min DeParle, administrator of the Health Care Financing Administration, which runs Medicare, said elderly people could be refused if they had a large number of choices.'' And she is talking about the Republican plan. ''It's difficult for seniors to navigate among plans,'' Ms. DeParle said. ''Moreover,'' Ms. DeParle asked, ''do seniors want and need all these choices? If you let plans design all sorts of benefit packages, that promotes choice, but it also promotes cherrypicking of the healthiest seniors. That's why we need defined benefits. Seniors want to know what's covered. It must be predictable.''

The Republicans keep talking about choice, but look at the example with the HMOs and how much confusion that has caused now in Medicare, where so many of them are dropping the plans or changing their plans and the seniors call us up and complain to us. Well, I frankly feel that if we have a defined benefit plan under Medicare that is certainly preferable. If someone wants to use an HMO, they can, but at least provide a guaranteed benefit.

''Democrats fear,'' again in the New York Times, ''that the market for drug insurance would be filled with turmoil as insurers went in and out from year to year. In the last two years, dozens of HMOs have pulled out of Medicare or curtailed their participation, disrupting insurance arrangements for more than 700,000 elderly people, and more health plans are expected to withdraw this year. Democrats say drug benefits should be fully integrated into Medicare, like coverage of hospital care and doctors' services. The bill,'' this is the Republican bill now, ''says Medicare officials must ensure that every beneficiary has a choice of at least two plans providing prescription drug coverage. One could be an HMO; at least one must be a traditional insurer. But Democrats say even if benefits have two options, both may be high priced plans. Under the House Republican proposal, Medicare officials could offer financial incentives to get insurers to enter markets in which no drug plans were available.''

Now, that is fine. In other words, just like HMOs, the Republican plan would say, and this is what the gentleman from California (Mr. THOMAS) has said, well, if we cannot find any insurance companies to provide this prescription drug coverage, then we will just give them more money and then they will do it. Well, that is all very nice, but, again I am going back to this New York Times article, ''Chris Jennings, the health policy coordinator at the White House, said the availability of these incentives would encourage insurers to hold out for more money. It would encourage insurers to hold Medicare hostage, Mr. Jennings said. The policy says that if insurers don't participate in the marketplace, we'll give them more money.''

Now, do my colleagues think an insurer will decide to participate in the market at the beginning, when they get less money, or will they hold out a little longer and then they might get more?

□ 2230

''That's the most inefficient, ridiculous incentive mechanism one could imagine.''

That is, essentially, what we are getting now with the HMOs. HMOs that are pulling out of the Medicare senior market are coming back to Congress and saying, okay, we will stay in the markets if you give us more money, if you give us a higher reimbursement rate. Insurance companies that theoretically are going to tap into the drug benefit programmed under the Republican plan, they will do the same thing, they will say, well, we cannot offer the plan now. Give us more money. And then they will hold out until they get more money. And even then there is no guarantee that we are going to get a good benefit plan.

I do not want to keep talking all night, Mr. Speaker, because I know that we are going to be dealing with this issue again and again. And I certainly plan to come again on other nights in special orders with my colleagues on the Democratic side to keep making the point that what we really need here is a Medicare benefit, a Medicare prescription drug benefit, that is voluntary; that provides universal coverage to everyone who wants to opt for it; that is designed to give all beneficiaries meaningful defined coverage; that has a catastrophic protection so that, if over a certain amount, the Government pays for all benefits; that has access to medically necessary drugs and, basically, defines what is medically necessary by the physician, not by the insurance company; and that, basically, says that if you are low income, we will pay for your premium, just like we do for part B for your doctors bills; and, finally, that is administered in a way that has purchasing mechanisms so that we can keep the price fair and not provide for the price discrimination that exists right now under current law for so many people.

That is what we will push for regardless of what the Republicans come up with. And certainly, we are more than willing, as Democrats, to work with the Republicans to fashion a plan that will work. But, so far, what we are hearing from the other side of the aisle is a sham, is not something that is designed to provide a meaningful benefit, and that ultimately will not pass here, not pass the Senate, not land on the President's desk in time for the end of this Congress. And that is what I do not want to see.

The Democrats want to see something that will pass and be signed by the President and become law so that Medicare beneficiaries can take advantage of it and that it not just be a political issue for this November election.

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PRESCRIPTION DRUG COVERAGE

The SPEAKER pro tempore (Mr. PITTS). Under the Speaker's announced policy of January 6, 1999, the gentleman from Pennsylvania (Mr. ENGLISH) is recognized for 60 minutes as the designee of the majority leader.

Mr. ENGLISH. Mr. Speaker, the House is on the brink of considering a very important issue, one that matters to people in my district in northwestern Pennsylvania and to all users of the Medicare program throughout the United States, whether they are seniors or individuals with disabilities. We are talking, of course, about the bipartisan effort to revise the Medicare program and to include prescription drugs.

My intention tonight, along with a couple of my colleagues, is to clear away the partisan smoke, to clear away the rhetoric, and to focus on what is really being proposed and the potential for a true bipartisan approach to extending prescription drugs under the Medicare program.

Mr. Speaker, modern medicine is using drug therapies more and more to prevent and treat chronic health problems. This is the 21st century. A trip to the pharmacy is far better than a trip to the operating room. We no longer practice medicine as our grandfathers or even our fathers once experienced, nor should we continue to offer seniors the limited Medicare program that our grandfathers and fathers knew. We need to revise the program and expand it and rethink it.

Medicare is, essentially, a standard benefit program from the 1960s, and it needs a facelift. We started that process in recent years by extending Medicare benefits to include a variety of new procedures. But we need, among other things, fundamentally we must modernize this benefit to provide prescription drug coverage.

Now, Mr. Speaker, I had the privilege of being appointed by the Speaker to serve on his Prescription Drug Task Force. We generated a blueprint and an outline which we thought could form the basis of a bipartisan prescription drug initiative. And indeed it has.

The House bipartisan prescription drug plan is a billion-dollar market-oriented approach targeted at updating Medicare and providing prescription drug coverage. After all, how many of us would give our employer's health

plan a second look if it did not include coverage for prescription drugs. But that is what we have been asking America's seniors to do.

We must take the steps necessary to ensure that seniors have access to affordable prescription drugs throughout America. What we have done is create a plan which invests $40 billion of the non-Social Security surplus to strengthen Medicare and offer prescription coverage to every beneficiary.

This is, after all, $5.2 billion more than what the President had proposed, and it was included in a budget resolution that we passed in this House over fierce resistance from House Democrats.

The bipartisan prescription drug plan that we have created will provide lower drug prices while expanding access to life-saving drugs for all seniors. Many of us had carefully examined the President's proposal and, in doing so, felt that we could improve on it and do better and provide seniors with a richer benefit and the flexibility to choose a plan that best meets their needs.

Under this bipartisan plan, seniors and persons with disabilities will not have to pay the full price for their prescriptions and will have access to the specific drug, brand name or generic, that their doctor prescribes.

This plan provides Medicare beneficiaries with real bargaining power through group purchasing discount and pharmaceutical rebates, meaning that seniors can lower their drug bills up to 39 percent. These will be the best prices on the drugs that they need, not some Government bureaucracy that may not offer the drug that the doctor prescribed.

Studies have shown, Mr. Speaker, that a small portion of the senior population consume a majority of prescription drugs, making them extremely difficult to insure and driving up costs for everyone. Under our prescription drug plan, the Government would share in insuring the sickest seniors, creating a stop-loss mechanism, making the risk more manageable for private insurers.

By sharing the risk and the cost associated with caring for the sickest beneficiaries, premiums would be lowered for every beneficiary. We address skyrocketing drug costs by providing Medicare beneficiaries with real bargaining power through private health care plans which can purchase drugs at discount rates.

Our plan provides options to all seniors, options that allow all seniors to choose affordable coverage that does not compromise their financial security. The plan benefits all seniors. Even though it is not a subsidy for a millionaire's mother, it provides the prospect of more affordable coverage for every senior. Seniors will have the right to choose a coverage plan that best suits their needs through a voluntary and universally offered benefit.

We realize that the left wing of the House Democratic Caucus is violently opposed to giving seniors that choice, but we disagree with them. Those that are happy with their current coverage will be able to keep that plan without any difficulty. Others who need to supplement existing benefits or State programs or who are without coverage can also choose from a variety of competing drug plans.

Keeping rural seniors in mind, our plan guarantees at least two drug plans that will be available in every area of the country with the Government serving as the insurer of last resort. Clearly, we do not depend exclusively on HMOs or on private insurance, as has been alleged. The plan also requires convenient access to pharmacies allowing beneficiaries to use their local pharmacy or have their prescriptions filled by mail.

This plan protects seniors at 135 percent below the poverty level, matching the eligibility contained in the President's plan. That means a single senior making less than $11,272 or a couple making less than $15,187 a year will receive 100 percent Federal assistance for low-income seniors, including 100 percent full reimbursement for premiums.

Like the President's proposal, this bipartisan plan also includes reimbursement phase-outs exceeding the poverty line. For those between 135 percent and 150 percent of poverty, Medicare will pay part of their premiums and their co-payments would be covered under Medicare. Yet, the President's plan shoe-horns seniors, many of them who have already private drug coverage which they are happy with, into what I would call a one-size-fits-few plan, with Washington bureaucrats in control of their benefits.

Our plan, our bipartisan plan, gives all seniors the right to choose an affordable prescription drug benefit that best fits their own health care needs. By making it available to everyone, we are making sure that no senior citizen or disabled American falls through the cracks.

The plan also provides coverage and security against out-of-pocket drug costs for every Medicare beneficiary. Any senior spending $6,000 a year or more will have 100 percent of their drug costs covered by Medicare. No longer will seniors be forced to drain their savings in order to pay for the prescriptions on which their lives depend.

The President's plan does not reflect any coverage for those seniors who pay high drug costs. Although we now understand that belatedly the President has leaped forward, panicked, and is now offering a catastrophic benefit as an add-on, but that was not his original proposal.

The Congressional Budget Office has estimated that if the President were to add such coverage, it will double the cost of the plan and/or double the premiums seniors would pay. The President leaves those who face the highest drug costs out in the cold in his original plan, choosing between paying the bills or buying life-saving medicines.

In addition, private employers under our plan would be given the option to buy into the Federal program in order to enhance their current plans or to begin offering a drug benefit to their employees. States would be allowed to choose to enhance their existing plans with the Federal coverage while not jeopardizing the existing coverage that their residents have. This includes programs such as the Pace Program in Pennsylvania.

But in adding a prescription drug benefit, we also modernize Medicare to ensure its long-term solvency. The plan ensures that seniors and disabled Americans will continue to have access to life-saving drug therapies.

In recent years, scientific and medical research has resulted in 400 new medications to treat the top killers of seniors: heart disease, cancer, and stroke. A market-oriented approach ensures that the quality of care that beneficiaries receive will continue to be second to none.

The plan takes vital steps toward improving Medicare as a whole. It expedites the appeals process by mandating that appeals that used to take an average of 400 days now take less than a quarter of that time. After all, to some seniors every minute counts.

But on top of that, the plan removes this part of Medicare from the Washington bureaucracy that has haunted and nearly bankrupted the system. The Health Care Financing Administration, which the last speaker had quoted extensively in his comments, will not control the prescription drug benefit under our plan. We create a Medicare benefit administration within the Department of Health and Human Services to manage prescription drug plans autonomously.

This reform is fundamental to safeguard the new program and to allow it to realize its potential free from interference from the bureaucracy.

We would also remove Medicare+Choice plans from under HCFA and put under the control of this agency giving it more flexibility and stability.

☐ 2245

President Clinton has attacked the bipartisan plan primarily because he knows it offers richer, more encompassing benefits and greater flexibility than the plan he has proposed while dealing with the needs of people with diverse circumstances. The President's plan would force as many as 9 million seniors out of their existing programs for drug coverage because the employers would be dropping or limiting their prescription drug coverage instead of allowing the Government to take over.

As baby-boomers retire, 40 million Medicare beneficiaries could lose their current drug coverage under the President's plan. As time goes on, the coverage offered by the President dwindles as the cost of the program for seniors skyrockets. Under his plan, seniors see as little as a 12 percent savings on drug

costs. Under his plan, seniors would pay more for premiums, more fees for services, all while the President spends more than was ever budgeted for the program.

Mr. Speaker, about 69 percent of America's seniors have some prescription drug coverage currently. Many of them need more help, but it is the remaining 31 percent that worry me the most. A stronger Medicare program with prescription drug coverage is a promise of health security and financial security for older Americans, and we are working to ensure that promise is kept. America's seniors deserve no less.

House Republicans believe that Americans should be spending their golden years concerned about what time the grandchildren are coming to visit or is the rain ruining their walk in the park. They should not be concerned with how they are going to pay for the medicines that allow them to enjoy life.

I am joined in this sentiment by a number of members from my task force that I served on and also fellow members of the Committee on Ways and Means.

I would like first to recognize a colleague of mine, the gentleman from Pennsylvania (Mr. Greenwood), who served with me on the task force and a distinguished member of the House Committee on Commerce who has specialized in health care issues and has been a strong voice for seniors.

Mr. GREENWOOD. I thank the gentleman for yielding, and I thank my colleague from the other side of the State of Pennsylvania, from Erie, Pennsylvania, for organizing this Special Order.

Mr. Speaker, we come here to Washington and we talk about the issue of Medicare prescription drugs, as we have for months and months; and sometimes the discussion, the dialogue, gets fairly arcane and complicated and seems to go far from the flesh and blood of the people we are trying to represent; and the gentleman from Erie just talked about the fact that seniors should not have to at that stage of their lives be worrying about whether or not they can afford their prescription benefit.

I want to read a letter that I received recently from just such a senior in my district, who certainly is worrying. She is from Holland, Pennsylvania, which is the little town that my family moved into in 1955. She wrote this letter to me just a few weeks ago, a couple of weeks ago.

''Dear Congressman GREENWOOD, I never thought that I would come to this time in my life and find myself neglecting my health out of sheer necessity. I am a widow, 70 years of age. My medical problems require drugs that amount to over $1,000 per month. I am enrolled in Aetna U.S. Health Care which has a cap on prescription drugs of $500 a year. After filling out the prescriptions, my cap was met.

''I am in pain daily and I cannot correct this problem because of financial difficulty. I have stopped taking Prilosec,'' which costs her $285 each month, ''Zoloft, approximately $100 a month; Losomax, another $100 a month; Xanax, approximately $100 a month; and Zocor, $100 or more. I need these drugs filled monthly, and I simply cannot afford them. I am also in need of pain pill, Vioxx, which costs $89; and I have not been able to purchase it.

''I have cried myself to sleep over this dilemma. I had to visit my pulmonary doctor, who diagnosed me with full-blown asthma and chronic bronchitis. My doctor told me that I cannot miss a day taking my medication for my lungs. I take Zevent, two puffs twice a day; Flovent, two puffs twice a day; and Albuterol, 2 puffs every 4 hours.

''The prescription for each is $98 times three, lasts 2 weeks.'' So $98 every 2 weeks for each of these three medications. That is $600 per month right there. ''I cannot stop taking this. I tried and ran into breathing problems again.

''I also must take Zithomax for chronic infection, $89. I must keep this on hand always.

''Also my ophthalmologist prescribed Xalton for glaucoma, which I must take faithfully, nightly, another $89.

''The drugs I must take average about $800 per month. The other drugs I need for osteoporosis, reflux and hiatal hernia, anxiety and depression, high cholesterol and nerves, I had to eliminate them; and I can feel my health declining each day.

''I tried a generic brand drug for my lung infection, and I had to end up taking three Zithromax, as the generic did not help me.

''My problem is that I make $200 too much per month to qualify for assistance. You figure this out. I have two friends who make $200 and $250 less than I do per month. They are paying $6 for all their prescriptions because they qualify for the program. They are getting help with their electric bill, they are being well taken care of, they are able to go out to dinner weekly and on a bus trip now and then. I can do none of this. My money is going to prescription drugs.

''I just pray that some good Congressman like you could make the guys in Washington see what this drug problem for the aged is doing to us. We worked hard all of our lives and then have to come to this.''

Mr. Speaker, that is a pretty persuasive argument, I think, a pretty poignant letter from a real woman who lives in my district, a 70-year-old widow who is only able to use every penny of her income simply for the drugs that she has to have to stay alive, and then she neglects her other needs; and so her cholesterol problem, her anxiety, her depression, her pain, her osteoporosis, all of those conditions go unchecked because she does not have this benefit. That is why all of us in Washington who care about this issue are trying so hard to get this done, and that is why we have come here tonight to talk about the bipartisan bill.

If this issue is not handled in a bipartisan fashion, my constituent, this 70-year-old woman, will not get relief. It is absolutely the case. The people of the United States have elected a Republican House and a Republican Senate, and they have a Democratic President in the White House. For us to get this done this year, we have to exercise bipartisanship, and that is why this bill that we are supporting is bipartisan.

Now, unfortunately, in the Special Order that came before us, my friend, the gentleman from New Jersey (Mr. PALLONE), and I will give him credit for this, he comes to the floor every night just about and makes a speech about prescription drugs; but what is so discouraging to me is the level of partisanship. There are reasons for there to be differences between the President's plan, the Democrat's plan, and the Republican plan, because this is a hard problem to solve; and it takes different kinds of thinking from different perspectives.

There are reasons why the Republican plan is different. This is a complex issue. One of those differences between the two plans is that we think that you need catastrophic coverage. We think that it is important that when some of these drugs that can cost $10,000 to $20,000 per year, you cannot stop the coverage at $2,000 and let the individual be on their own, because that is not going to help my constituent. My constituent will not be helped by that, because she will run out of money; and not only will her insurance coverage not be sufficient, but now the Medicare coverage will not be sufficient, and that is not good enough.

When you look at the President's plan and when you look at the Republican plan, there are differences. I happen to prefer the Republican plan, but the fact of the matter is they are more alike than they are different. What we have got to do this year is we have to be bipartisan and make sure that the bipartisan bill is adopted by the House, that we take ideas from other Members, we negotiate this with the President and get it done.

When you see Members of Congress come to the well of this House or sit in committee hearings and meetings, and when you hear them looking for common ground and looking for a bipartisan approach, when you have Republicans and Democrats supporting the same kind of legislation, then you know these are serious Members who care about 70-year-old widows from Holland, Pennsylvania, who cry themselves to sleep at night.

Conversely, when you see Members of Congress come to the well of the House and you listen to them in the hearings and they spend most of their time emphasizing the differences, contrasting

the Republicans and the Democrats, this lady does not care whether the bill is a Republican bill or a Democratic bill. She wants a bipartisan approach that gets the job done. When you see Members constantly emphasizing partisan differences, then you have to conclude that these are Members who are not interested in solving the problem. They are interested in winning elections, they are interested in political gain and leverage, and I think that is what is shameful.

We need to get this done in a bipartisan fashion. The bipartisan bill we are here to talk about tonight will do that. I urge my colleagues in the Congress to support that.

Mr. Speaker, I would again thank my colleague from Erie for organizing this event tonight.

Mr. ENGLISH. Mr. Speaker, I yield to the gentleman from Arizona (Mr. HAYWORTH), a very distinguished member of the Committee on Ways and Means and a gentleman who has been a leader on most of the issues before our committee, but who particularly has come forward to be a strong advocate today on prescription drugs; and I might add, it is a great service to serve with him.

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman from Pennsylvania, and I thank the gentleman from Pennsylvania who preceded me in the well. So we have not only eastern and western Pennsylvania, but the east and the west united in this bipartisan effort to find a solution that helps America's seniors with prescription drug bills.

I thought it was very instructive to hear the comments of the lady from Pennsylvania in the letter to our friend, the gentleman from Pennsylvania (Mr. GREENWOOD); and I thought it was equally instructive to hear our friends on the left precede us this evening on the floor, focusing on process and politics instead of on problem solving, because, Mr. Speaker, make no mistake: we are committed to forging a bipartisan plan. Indeed, sponsors of both political parties have stepped forward and said, even though this is an even numbered year on the calendar, even though it is the nature in this institution to realize that about 5 months remain before an election, some issues are too important even in an election year to simply preen and posture and, yes, politic.

Mr. Speaker, not only was that letter from the lady in Pennsylvania very poignant, it was also very practical. I think, Mr. Speaker, another difference that we see in terms of approach is a question of trust. Our bipartisan plan trusts America's seniors with an aspect of freedom that has been their birthright. My folks are now in their late sixties; my grandfather is 96. Choice has been a part of their life in a variety of settings. Why then take away choice when it comes to prescription drug coverage?

I hold a number of senior coffees in my district to sit down with constituents who are articulate, informed, and very interested in a multitude of topics. When this first appeared on the radar screen of the body politic, a lady from my district summed it up very nicely when she said to, ''J.D., whatever you do, please don't increase my Medicare premium so that I have the honor of paying Ross Perot's prescription bill.''

Now, think about that. Despite all the sophisticated talk that comes out of Washington, D.C., my constituent really defined the issue. She says, ''Number one, keep Medicare affordable. Don't needlessly raise my premiums. Number two, don't force me into a plan that Washington sometimes seems to gravitate toward, which in intent is one size fits all, which in reality,'' as my colleague from Pennsylvania pointed out, ''is one size fits very few, and yet everyone is compelled, indeed, coerced by law, to be involved in the plan.''

□ 2300

That is not what we want to do. We want to champion choice and the marketplace, and we want to make sure that the nearly two-thirds of America's seniors who have existing prescription drug coverage can keep that current coverage if they so desire.

The letter read by the gentleman from Pennsylvania from his constituent reminds me of another real-life story involving one of my constituents from Apache Junction, Arizona. Like the lady from Pennsylvania, she too faced tough choices for herself and for her husband. She told me that the prescription bills had become so cumbersome that she was not able to qualify for a plan with prescription drug coverage; that she, in her 70s, was employed at the drive-through window of a prominent fast food chain, one of their outlets in Apache Junction and, at that time, paying a penalty for working, because of the earnings limit for seniors. But she was doing so out of necessity, to deal with the prescription bills that she and her husband were facing.

So let us state a broad objective and observation that most Americans can agree with, Mr. Speaker and my colleagues, and it is this: no senior should be forced to choose between buying food and buying medicine. That is fundamentally wrong.

It is our intent to make sure that those who heretofore have not had coverage, the one-third of current seniors without a health insurance plan, without a prescription insurance plan, should have that type of coverage. We want to take action to strengthen Medicare by prescribing prescription drug coverage that is available to all seniors, but undergirded with the principles of freedom and choice, that no one in this country, I believe, wants to abandon.

Even though it was disturbing to hear earlier tonight the chief administrator for the Health Care Financing Administration basically say that seniors could not make up their own minds, I find that nothing could be further from the truth in my district. As I said earlier, at town hall meetings, at senior coffees, at the grocery store, at church, at the softball and T-ball games when grandparents come to watch their grandchildren play and visit with me, I find that our Nation's seniors are among the most engaged, the best informed.

Now, at the dawn of the new century, there is unparalleled health and prosperity for today's seniors, and indeed, this is a blessing, and it is an opportunity. Yes, problems exist, as I pointed out, the situation for the lady in Apache Junction and as the gentleman from Pennsylvania read the letter from his constituent and the tough decision she has been forced to make without prescription drug coverage. But we want to make sure that we embrace and bring to the floor a plan that gives seniors the right to choose an affordable prescription drug benefit that best fits their own health care needs.

Mr. Speaker, this bulletin just in: we are all unique. We all have different health challenges, different problems, different prescription bills, different treatments. Why would we choose a plan that would allow Washington bureaucrats to bring their red tape and regulation to America's medicine chests? That is not what we want to see. We want, again, to embrace the notion of freedom and opportunity and choice for our honored citizens, for our senior citizens, for people who take the time, as every senior in my district has, to intimately understand their own challenges, their own health needs, their own prescription needs, and to deal with it. We do not want to force the two-thirds of seniors already covered out of coverage if it works for them.

The real challenge with the one-size-fits-some approach is that in an effort to have the heavy hand of government and the Washington bureaucrats take the role of the corner druggist, that when government inserts itself into that dynamic, we have very serious problems, and we would hate to see those plans abandoned. Let us make sure that good coverage is maintained for those who want the private coverage that they currently enjoy; let us have a variety of plans based on the free markets that are there; and yes, in those circumstances, in some rural areas, in some areas that have been deprived of coverage, yes, there is a role for government to play, not a game of ''gotcha'' or bureaucratic intent, but by focusing on what works. That is what we are about in this bipartisan plan.

Again, our mission is clear here, defined by my constituent and her very simple and direct statement: please do not increase my Medicare premiums so that I have the honor of paying Ross Perot's drug bill. Make sure the plan focuses first on those seniors and disabled Americans who have fallen

through the cracks, who do not have the prescription coverage, who find themselves working a couple of jobs in their senior years to make ends meet, who find themselves currently making a difficult choice between food and medicine. It is those seniors to whom we should turn first. But also, in the spirit of competition and choice and option, we should allow folks to take a look at their plan to determine which is best for them and find the plan that is right, rather than one-size-fits-some. We should not force seniors into a Washington bureaucrat-run, one-size-fits-all prescription drug plan that has too many rules, regulations, restrictions, and allows politicians and Washington bureaucrats to make medical decisions.

Indeed, this is something that I believe every Member of this House, Mr. Speaker, ought to be able to agree on, as we debate the many facets of health care, the many different challenges we face. The last thing on earth we should do under the guise of helping the American people is to decide on a course of treatment or action that violates the sanctity of the doctor-patient relationship that prompts bureaucrats, whether Washington bureaucrats or insurance company bureaucrats, to try and make health care decisions. The principles we embrace, the plan that we will bring to the floor in short order will make sure that there is choice, will make sure that the two-thirds of seniors with current coverage can continue to enjoy that coverage if that is their want, but also provide other plans and other availabilities, and that is what we need to do.

Again I would call on my colleagues to make sure that even in this even-numbered year, that even with that great exercise, unique in our constitutional republic where we, as constitutional officers, stand at the bar of public opinion, the first Tuesday following the first Monday in November, even with the temptation of some to turn this into a bumper sticker issue, to come to the floor and impugn the motives of others. Mr. Speaker, we understand that oftentimes free discussion in our constitutional republic and in this chamber can bring out both the best and, sadly, the worst in people.

□ 2310

So tonight, Mr. Speaker, our call is to every Member of this institution and, Mr. Speaker, to every American to put aside the partisanship, to embrace the principles of freedom and choice, and to focus on what works, making sure that seniors have choice in prescription drug plans, that the one-third of seniors currently not covered by a plan have options available to them, options that will also exist for those currently covered by insurance, but that we do not throw away or get rid of that coverage as a Washington-run compulsory, coercive plan would do.

So I would challenge my friends on the left to put aside the venom, the vitriol, and the predictable political speeches in search of a bumper sticker solution, and join with us in a plan that is already bipartisan, that already has the support of Republicans and Democrats from across the country, folks who have listened to their constituents and heard loud and clear.

Put aside partisanship, focus on what works. That is our challenge. Mr. Speaker, I believe we will meet that. I would simply say to my friends in Arizona to keep those cards and letters coming. We appreciate their insight. We understand that they are on the front lines in this battle and their initiative, their input, their wisdom will help us solve this problem.

Mr. ENGLISH. Mr. Speaker, I thank the gentleman for his generous efforts in helping us clear away the rhetorical smokescreen that hides the fact that we have heard advocated on the floor an alternative to the bipartisan plan which is actually less flexible and less generous in terms of the benefits it offers. We think we have a better product.

Mr. Speaker, I yield to the distinguished gentleman from Tennessee (Mr. BRYANT), a gentleman who played a critical role in developing this bipartisan product. He was part of the task force that I served on, and he is a member of the Committee on Commerce.

Mr. BRYANT. Mr. Speaker, I thank my friend from Pennsylvania for hosting this special order tonight obviously on a very important subject that we have already spent 1 hour before we came into the Chamber hearing one side of this debate, so to speak, and now we are talking about what we think is probably not the other side, but rather the one side, the bipartisan side of the solution to this very important problem.

As we discuss this addition of prescription drugs to senior citizens, we cannot talk about it in isolation. I think we have to place it in the context of Medicare as we talk about this.

One of the first things that comes to my mind and I hear about from my constituents in Tennessee is what I think is the doctors' maxim, First, do no harm. As we examine these prescription drug proposals, we should make sure that whatever plan we adopt does no harm. That is, it should not jeopardize any of the current coverage of Medicare in what they receive, beneficiaries receive, nor should it jeopardize the retirement security of any American.

I think, secondly, as we talk about this issue we have to remember the dignity and rights of Medicare beneficiaries as we protect them. Just because an American reaches the age of 65 does not mean that they should be treated like second-class citizens, and any effort that we make to add this prescription drug benefit should ensure that seniors gain the right to all the benefits that they are entitled to before they reach 65, as well as after 65.

Mr. Speaker, I would agree with everyone who has spoken tonight on both sides of the aisle, that something has got to happen. Something needs to happen with regard to adding prescription drugs to our senior citizens. Had we drawn up Medicare in this day and age, we would have surely brought in prescription drug benefits because of the importance to everyone, particularly to senior citizens, of drug therapy. This was not done, though, in 1965, so we have to go back now and find the most appropriate way to bring this in.

I think the best thing this body can do is to work together in a bipartisan fashion. We have heard that word ''bipartisan'' mentioned a lot. What that means is simply we are talking about both Republicans and Democrats come together. Already on this bill that we are talking about in this hour, we are in that bipartisan situation where we have both Democrat Members and Republican Members cosponsoring this bill.

That is why I am proud of this legislation. It is something that our task force worked hard to produce, and we have now people on both sides of the aisle who can support it. I think our seniors and our disabled people who will be eligible for prescription drugs deserve this type of treatment, and I hope that we can rise above the partisan rhetoric and the political ploys and get this job done.

As my friend, the gentleman from Arizona, mentioned, so often in these even-numbered years, which means that we are all up for election in the House, people play politics with issues like this. They like to try to go out and scare our senior citizens and turn them for or against, however they might try to use an issue. That is shameful.

I have hope that we do not do this this year, but last week I saw in a paper, a newspaper, a paper that is distributed on the Hill with all the news, where, in the other body, on the other side of the Capitol, one of the Democrat Senators, the headline mentions his name and says he is landing in hot water. What he did to put himself in hot water with his own Democrat leadership was to agree to cosponsor this bipartisan bill.

It goes on to say in here how he has dashed any hope of landing one of three coveted seats on a powerful committee in the Senate. My optimism sunk, because when we have people who are willing to play politics and threaten their fellow Members and try to intimidate them from joining a bipartisan bill in an election year, I think it is shameful, too.

I hope in the House we can move forward, work together as we have started on this bipartisan bill, and get something done. My friend, the gentleman from Pennsylvania, mentioned that we have worked on this task force together, something that our Speaker of the House put together to study and to come up with recommendations. He charged our task force with development of a fair and responsible plan to

help seniors and disabled Americans with their drug expenses.

As we started, we began with a set of principles, and used those principles to guide our efforts, I think resulting in this bill that we are talking about tonight.

First, we wanted a plan that was voluntary. Everybody understands what voluntary means. It means we can get in it or we do not have to, we have a choice to get in and stay out; that it is universal, available to everybody; and affordable to all beneficiaries. It would be voluntary, universal, and affordable.

We also wanted to give seniors meaningful protection and bargaining power to lower their prescription drug prices. I will talk just a little more about that in a couple of minutes.

We also wanted to make sure that we preserved and protected Medicare benefits seniors currently receive. That is what I meant when I said, First, do no harm.

Finally, we wanted an insurance base, a public-private partnership that sets us on a path towards a stronger more modern Medicare and would extend the life of this Medicare program for the baby boom generation and even beyond.

Coming up with a good plan that fit all of these principles was a tall order, but the bipartisan Medicare prescription 2000 legislation does follow these guidelines, and I believe it is the right approach.

Our plan provides prescription drug coverage that is affordable. Seniors in my district and across Tennessee have been writing and asking me for help, just like other Members have talked about tonight, with the high cost of drugs.

In this bill, we will help more people get prescription drug coverage at lower cost by creating group buying power, without price-fixing or government control, something that has been referenced tonight already, something that is totally unworkable. For the first time, Medicare beneficiaries will no longer have to pay the highest prices for prescription drugs. Under this proposal, they will have access to the same discount the rest of the insured population enjoys.

An analysis by the Lewin Group recently concluded that private market-based insurance policies that we are talking about here can reduce the consumer's prescription drug costs by as much as 39 percent.

Also, our plan strengthens Medicare so we can protect seniors against the high out-of-pocket drug costs that threaten beneficiaries' health and financial security. This plan sets a monetary ceiling, what is called a stop loss, beyond which Medicare would pay 100 percent of the beneficiary's drug expenses.

□ 2320

This is one of the things I found most challenging about what we were trying to do is somehow protecting people against catastrophic drug costs where we hear about people having to exhaust their life savings or sell their home to pay their drug bills. We do that in our bill, and I think that is one of the best components of what we have done is have that protection out there, that stop loss, that once one gets to a certain level, then the beneficiary, the senior citizen does not have to go beyond that.

Our plan is available to all Medicare beneficiaries, and our public-private partnership ensures that drug coverage is available to all who need it by managing the risk and lowering the premiums. The plan calls for the government to share in insuring the sickest seniors, thereby making the risk more manageable, more affordable for insurers, and lower premiums for every beneficiary.

As I mentioned before, we protect the most vulnerable of our seniors and low-income beneficiaries. I could go on and on and talk about this.

I would just urge those in the House and those that might be viewing the proceedings otherwise to look at this bill carefully, study it, and see if we did not follow those principles that we talked about that we wanted choice, we wanted it to be universal, we wanted it to be voluntary, we wanted it to be affordable. We think we have done that.

We were very pleased to bring this bill to the House floor. As we move this process, I trust that we can do it in a Republican-Democrat fashion, do what is best for the American citizens. As again my colleague from Arizona says, even though it is an even number year, an election year, let us do the right thing.

Mr. ENGLISH. Mr. Speaker, let me say I appreciate the remarks of the gentleman from Tennessee (Mr. BRYANT). Judging from his remarks, he would concede that we have managed to build a bipartisan product based on a Republican budget that set aside $40 billion to modernize Medicare and to improve benefits, and we have offered here the American people a bipartisan plan that would provide benefits that are universal, affordable, flexible and voluntary and allow them to get prescription drugs based on a model of choice, something lacking in the other plan.

I appreciate the gentleman's remarks because he has clearly elucidated the strength of our plan and the fact that we are offering something that the American people, hopefully, can unite behind.

Mr. Speaker, I yield the balance of my time to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. ENGLISH) for yielding to me, and I thank the gentleman from Tennessee (Mr. BRYANT).

Mr. Speaker, I think it is important just to summarize where it is we believe this bipartisan plan is headed and what it is we are trying to do.

Mr. Speaker, as we pointed out earlier, it is a sad fact that too many senior citizens and disabled Americans are forced to choose between putting food on the table and being able to afford the prescription drugs they need to stay alive. That is morally wrong.

So we want to take action in a bipartisan way to strengthen Medicare by providing prescription drug coverage for seniors and disabled Americans so that no one is left behind.

While ensuring that all Medicare recipients have access to prescription drug coverage, we must make sure our senior citizens and disabled Americans also maintain control over their health care choices.

It is fundamental that we cannot force folks into a government-run one-size-fits-all prescription drug plan because, in reality, that becomes one-size-fits-some. That type of approach would be too restrictive, too confusing, and would allow Washington bureaucrats to control what medicines one's doctor can and cannot prescribe.

It is our intent with our plan to give all seniors and disabled Americans the right to choose an affordable prescription drug benefit that best fits their own health care needs.

Our plan will help the sickest and the neediest on Medicare who currently have no prescription drug coverage while offering all others a number of affordable options to best meet their needs and to protect them from financial ruin.

By making it available to everyone, Mr. Speaker, we are ensuring that no senior citizen or disabled American falls through the cracks. Because our plan is voluntary, we protect seniors already satisfied with their current prescription drug benefit by allowing them to keep what they have while expanding coverage to those who need it. We will not, Mr. Speaker, we will not force senior citizens or disabled Americans out of the good private coverage they currently enjoy.

I would point out, again, nearly two-thirds of today's seniors have some form of prescription drug coverage. Again, our plan emphasizes individual freedom, giving individuals the power to decide what is best for them, not to rely on Washington bureaucrats.

The task is daunting. The details, we are in the process of hammering out as we move to markup in the Committee on Ways and Means shortly, but it is our intent to reach across the aisle as we have already done with sponsorship of this plan on a bipartisan basis because the stronger Medicare with prescription drug coverage is a promise of health security and financial security for older Americans. And it is our intent to work on a bipartisan basis to ensure that promise is kept.

Our parents and grandparents sacrificed much for this country. As we have been given charge by the people to come to this floor to do the people's

business, to be about the work of preparing for a new century, we understand that America's seniors and disabled deserve no less.

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THE WORLD TRADE ORGANIZATION—THE END OF GEOGRAPHY?

The SPEAKER pro tempore (Mr. SWEENEY). Under the Speaker's announced policy of January 6, 1999, the gentleman from Washington (Mr. METCALF) is recognized until midnight.

Mr. METCALF. Mr. Speaker, during 1969, C. P. Kendleberger wrote that the Nation's State is just about through as an economic unit. He added that the U.S. Congress and right-wing-know-nothings in all countries were unaware of this. He added the world is too small. Two hundred thousand ton tank and ore carriers and air buses and the like will not permit sovereign independence of the Nation's state in economic affairs.

Before that, Emile Durkheim stated, ''The corporations are to become the elementary divisions of the state, the fundamental political unit.'' Now I am going to repeat that. ''The corporations are to become the elementary division of the state, the fundamental political unit. They will efface the distinction between public and private, dissect the democratic citizenry into discrete functional groupings which are no longer capable of joint political action''.

Durkheim went so far as to proclaim that, ''Through corporatisms' scientific rationale, it will achieve its rightful standing as the creator of collective reality.''

There is little question that part of these two statements are accurate. America has seen its national sovereignty slowly diffused over a growing number of international governing organizations.

The WTO is just the latest in a long line of such developments that began right after World War II. But as the protest in Seattle against the WTO ministerial meeting made clear, the democratic citizenry seemed well prepared for joint action. Though it has been pointed out that many, if not the majority of protesters, did not know what the WTO was, and much of the protest itself entirely missed the mark regarding WTO culpability, in many areas proclaimed jurisdiction, responsibility, this remains but a question of education. It is the responsibility of the citizens' Representatives to begin that education process.

The former head of the antitrust division of the U.S. Justice Department was Thurman Arnold from 1938 to 1943. We may not entirely agree with him when he stated that the United States had, I quote, ''developed two coordinate governing classes. One is called business, building cities, manufacturing and distributing goods, and holding complete and autocratic power over the livelihood of millions.''

□ 2330

The other called government, concerned with preaching and exemplification of spiritual ideas, but so caught up in a mass of theory that when it wished to move in a practical world, it had to do so by means of a sub-rosa political machine. But surely the advocates of corporate governance today, housed quietly and efficiently within the corridors of power at the WTO, the OECD, IMF, and the World Bank, clearly believe. They really believe. Corporatism as ideology, and it is an ideology; as John Ralston Saul referred recently to it as a hijacking of first our terms, such as individualism, and then a hijacking of western civilization, the result being the portrait of a society addicted to ideologies, a civilization tightly held at this moment in the embrace of a dominant ideology: corporatism.

As we find our citizenry affected by this ideology and its consequences, consumerism, the overall effects on the individual are passivity and conformity in those areas that matter and nonconformity in those which do not. We do know more than ever before just how we got here. The WTO is a creature of the General Agreement on Tariffs and Trade, that's GATT, which began in 1948 its quest for a global regime of economic interdependence. But by 1972, some Members of Congress saw the handwriting on the wall, and it was a forgery.

Senator Long, while chairman of the Senate Committee on Finance, made these comments to Dr. Henry Kissinger regarding the completion and prepared signing of the Kennedy round of the GATT accords, and I quote: ''If we trade away American jobs and farmers' incomes for some vague concept of a new international order, the American people will demand from their elected representatives a new order of their own which puts their jobs, their security and their incomes above the priority of those who dealt them a bad deal.''

But we know that few listened. And 20 years later the former chairman of the International Trade Commission argued that it was the Kennedy round that began the slow decline in America's living standards. Citing statistics in his point regarding the loss of manufacturing jobs and the like, he concluded with what must be seen as a warning, and I quote: ''The Uruguay Round and the promise of the North American Free Trade Agreement all may mesmerize and motivate Washington policymakers, but in the American heartland those initiatives translate into further efforts to promote international order at the expense of existing American jobs.''

We are still not listening. Certainly, ideologists of corporatism cannot hear us. They, in fact, are pressing the same ideological stratagem in the journals that matter, like Foreign Affairs, and the books coming out of the elite think-tanks and nongovernmental organizations. One such author, Anne-Marie Slaughter, proclaimed her rather self-important opinion that State sovereignty was little more than a status symbol and something to be attained now through transgovernmental participation. That would be presumably achieved through the WTO, for instance?

Stephan Krasner, in a volume, International Rules, goes into more detail by explaining global regimes as functional attributes of world order, that is, environmental regimes, financial regimes and, of course, trade regimes. In a world of sovereign states, the basic function of regimes is to coordinate state behavior to achieve desired outcomes in particular issue areas. If, as many have argued, there is a general movement toward a world of complex interdependence, then the number of areas in which regimes can matter is growing.

But we are not here speaking of changes within an existing regime, thereby elected representatives of free people make adjustments to new technologies, new ideas and further the betterment of their people. The first duty of elected representatives is to look out for their constituency. The WTO is not changes within the existing regime but an entirely new regime. It has assumed an unprecedented degree of American sovereignty over the economic regime of the Nation and the world.

Then who are the sovereigns? Is it the people, the nation, in nation state? I do not believe so. I would argue that who governs, rules. Who rules is sovereign. And the people of America and their elected representatives do not rule nor govern at the WTO but corporate diplomats, a word decidedly oxymoronic.

Who are these new sovereigns? Maybe we can get a clearer picture by looking at what WTO is in place to accomplish. I took interest in an article in Foreign Affairs, ''A New Trade Order,'' volume 72, number one, by Cowhey and Aronson. Foreign investment flows are only about 10 percent the size of the world trade flows each year, but intrafirm trade, for example sales by Ford Europe to Ford USA, now accounts for up to an astonishing 40 percent of all U.S. trade.

This complex interdependence we hear of every day inside the Beltway is nothing short of miraculous, according to the policymakers who are mesmerized by all this. But, clearly, the interdependence is less between the people of the nation states than between the corporations of the corporate states.

Richard O'Brien in his book entitled ''Global Financial Integration: The End of Geography,'' states the case this way: ''The firm is far less wedded to the idea of geography. Ownership is more and more international and global, divorced from national definitions. If one marketplace can no longer provide a service or an attractive location to carry out transactions, then the