

speak about the book he wrote, says that his protagonist, Oliver Barret IV—the man in *Love Story*—was partly based on Mr. GORE. Now, that is a fact. Erich Segal, the author, said that his protagonist in the book *Love Story*, Oliver Barret IV, was based on ALBERT GORE. So what my friend from Idaho said, and what others have said, cannot contradict what the author of the book has said.

Talking about exaggerations and misstatements, look at the *Seattle Post-Intelligencer* on October 4 of this year. Byline, Paul Krugman. He says:

I really, truly wasn't planning to write any more columns about George W. Bush's arithmetic. But his performance on "Moneyline" last Wednesday was just mind-blowing. I had to download a transcript to convince myself that I had really heard him correctly.

It was as if Bush aides had prepared him with a memo saying: "You've said some things on the stump that weren't true. Your mission, in the few minutes you have, is to repeat all those things. Don't speak in generalities—give specific false numbers. That'll show them."

First, Bush talked about the budget—"There's about \$4.6 trillion of surplus projected," he declared, which is true, even if the projections are dubious. He went on to say: "I want some of the money, nearly a trillion, to go to projects like prescription drugs for seniors. Money to strengthen the military to keep the peace. I've got some views about education around the world. I want to—you know, I've got some money in there for the environment."

Figure that one out, if you can.

Mr. President, further in the *New York Times* of October 11, a man by the name of Paul Krugman writes a column, and the heading is: "A Retirement Fable; No Fuzzy Numbers Needed."

Among other things, he says:

Mr. Bush has made an important political discovery. Really big misstatements, it turns out, cannot be effectively challenged, because voters can't believe that a man who seems so likable would do that sort of thing. In last week's debate Mr. Bush again declared that he plans to spend a quarter of the surplus on popular new programs, even though his own budget shows he plans to spend less than half that much. . . . And he insists that he has a plan to save Social Security, when his actual proposal, as it stands, would bankrupt the system.

Michael Kinsley, in the *Washington Post*, on the 24th, a couple days ago, says, among other things, referring to Bush:

His utterances frequently make no sense in their own terms. His policy recommendations are often internally inconsistent and mutually contradictory. Because it's harder to explain and prove, intellectual dishonesty doesn't get the attention that petty fibbing does, even though intellectual dishonesty indicts both a candidate's character and his policy positions. All politicians. . . get away with more of it than they should. But George W. gets away with an extraordinary amount of it.

He continues to say.

. . . he'll get the trillion dollars needed for his partial privatization "out of the surplus." Does he not understand that the current surplus is committed to future benefits, which will have to be cut to make the num-

bers work? Or does he understand and not care?

Kinsley further says:

When he repeatedly attacks his opponent for "partisanship," does he get the joke? When he blames the absence of a federal patients' rights law on "a lot of bickering in Washington, DC," has he noticed that the bickering consists of his own party, which controls Congress, blocking the legislation?

Also, if we are talking about people who misstate things, let's really put a magnifying glass on some of the things that the Governor has said. In last week's debate, GORE described his own education plan, but Bush said that the "three" men convicted in the murder of James Byrd, a black man dragged to his death from his pickup truck, will receive the death penalty. That is not quite true. One faces life imprisonment. Bush took credit for expanding a child's health insurance program in Texas. He took credit in the debate for working with the Democrats to get a Patients' Bill of Rights. He vetoed that. And then he says we have a provision to allow lawsuits. He didn't sign that.

Mr. President, we hear a lot about how the Vice President has been involved in the Russian situation. And he has. He has done a good deal to work out differences between the two nations—the former Soviet Union and now Russia. The Vice President has had extensive experience working on that. One of the people he worked with was Prime Minister Chernomyrdin, who he didn't pick, the Russian government picked him. In this debate—we all heard it—and I will get the citations from the *Washington Post*, byline by Howard Kurtz and others. He said:

Money from the International Monetary Funded wound up in the pocket of former Russian Prime Minister Viktor Chernomyrdin. Chernomyrdin has been linked to corruption.

Experts say there is no proof he received any IMF money.

Further, Bush said that our European friends would put troops on the ground in the Balkans, where the bulk of the peacekeeping forces are in Bosnia and Kosovo. Bush also cited Haiti as example of a country from which the U.S. should withdraw its troops, when in fact all but 100 troops have left.

Mr. President, the Senator from Idaho said he will be back Monday afternoon. I am happy to visit with him on the statements that the Governor of the State of Texas has made. I didn't make them, he made them. I simply came to the Senate floor to discuss with the American people what he has said:

I am a person who recognizes the fallacy of humans.

Drug therapies are replacing a lot of medicines as we used to know it.

I know the human being and fish can coexist peacefully.

I will have a foreign-handed foreign policy. Families is where our nation finds hope, where wings take dream.

I understand small business growth. I was one.

Will the highways on the Internet become more few?

I know how hard it is for you to put food on your family.

Rarely is the question asked: Is our children learning?

The important question is, how many hands have I shaken?

These are statements made by the Governor of the State of Texas.

Anytime anyone wants to come and talk to me about the statements made by the Governor of the State of Texas, I am happy to do it. I didn't make them up. I am quoting them directly.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Mr. President, thank you very much.

#### MEDICARE BALANCED BUDGET REFINEMENT PROPOSAL

Mr. REED. Mr. President, I want to first commend my colleague, friend, Senator REID from Nevada, for not only his statement but his leadership in this body to try to move the process along. Unfortunately, we have reached an impasse.

We have sent to the President an appropriations bill for the Commerce-State-Justice Departments which will be vetoed because of glaring deficiencies in that bill.

We are holding in abeyance for the moment a conference report which not only deals with Medicare readjustments because of the Balanced Budget Act of 1997, but also contains provisions dealing with assisted suicide—a hodgepodge of issues, all of which will, once again, elicit a Presidential veto.

Let me just speak for a moment about this pending bill, although in some respects it defies description. It is more of an accumulation of different ideas thrown together to get out of town. But part of it deals with Medicare and balanced budget refinement proposals.

All of us in this body for the last several years have been pointing out some of the consequences—many of them unintended—of the Balanced Budget Act of 1997 with respect to Medicare reimbursement in an effort to make sure that our health care system continues to be vibrant and continues to be sustainable. And we are resolved to try to address these issues and in a bipartisan way.

But we have found ourselves with a very partisan approach—an approach that has not included any of my Democratic colleagues on the Finance Committee, and has included no real participation by the Democrats in this body at all with respect to issues that are of concern to all of us which should be dealt with on a bipartisan basis.

As a result, we are faced with legislation that comes to us which is terribly distorted and terribly slanted, and which will not deal with the real crisis we face. In fact, many health care providers, such as hospitals, home health care agencies, hospice agencies, nursing homes, and others are literally

being shortchanged in the process where a significant and inordinate amount of money is going to HMOs that operate Medicare managed care plans.

These are the same HMOs that abruptly, in many cases, withdrew from the market because they could not make their margins—that walked out on seniors. And, in effect, we are rewarding them for abandoning seniors and walking away from them by giving them a huge amount of money with the presumption, of course, that this money will be passed on to the providers who care for our elderly and disabled. That is not the case at all.

With respect to the not-for-profit HMOs, their first instincts will be to build up their reserves and continue to negotiate very tough reimbursements with hospitals and nursing homes. In some cases, they are the only game in town. They can go to a hospital or a nursing home or a home health agency, and say: These are the terms—take it or leave it. But their goal will not be simply passing on the generosity of the Federal Government to providers—the people actually giving the care. It will be to enhance their own financial positions by continuing to put aside money for the proverbial rainy day.

When it comes to the for-profit HMOs, their incentive is not only to enhance their financial position because that is what enhances their stock price in the market, but also to provide dividends to their shareholders. After all, they are profit-making enterprises.

I think it is entirely fallacious to believe that by simply giving money to HMOs for seniors, with no accountability and no requirements, they will in return provide coverage. Simply giving them the money is the wrong way to ensure that our seniors and disabled receive adequate health care.

That is precisely the path that has been chosen in this partisan Republican legislation that we will see in the days ahead.

We would like to see Medicare managed care plans succeed. We would like to see that happen. But we can't simply wish by giving them money that they will change the practices they have pursued over the last several years.

When they looked at the situation, when they thought they were not getting the kind of return and the kind of profits they should in these programs, they simply walked away.

Yet we are not requiring them even with this great infusion of money to commit to stay the course for our seniors. It is the wrong approach.

The right approach—the approach that was advocated very forcefully by my colleagues on the Finance Committee on the Democratic side—is to provide additional reimbursements and additional support for the actual providers—the hospitals, the hospice agencies, and home health agencies—all of the agencies that are struggling just to stay afloat and to stay viable.

In particular, we have seen over the course of the last several years with respect to home health agencies that many have gone out of business because of severe cuts in the reimbursements. We originally estimated that \$16.1 billion would be saved over five years. It turns out that we have already saved \$19.7 billion in just two years and are on track to save four times what we originally projected. It is about time to put the money back in to these important activities.

Yet, that is not what this bill would do. As I mentioned before, this conference report contains several last minute additions coming from the outfield, including the misnamed Pain Relief Promotion Act, which is an attempt to undercut the legislation and the will of the people of Oregon with respect to the very sensitive issue of assisted suicide.

I strongly disapprove of assisted suicide. I am pleased that my State of Rhode Island has, in fact, adopted legislation that outlaws this practice but still makes the prescription of drugs by physicians for the purposes of alleviating pain a medical matter and not a law enforcement matter.

The fallacy of the approach embodied in the Pain Relief Promotion Act is to take the Drug Enforcement Agency and make it the arbiter of good medical practice. I can't think of a more inappropriate combination of institutions and functions than that. But that has been thrown into the mix in this conference report.

We have been endeavoring over many months to come up with bipartisan solutions to these issues of Medicare reimbursement and of the restoration of funds that were cut in 1997 under the Balanced Budget Act. But it has come to naught so far.

I hope that in the next few days in anticipation of a Presidential veto there will be a second or third or fourth look at these issues and we can try to deal with them in a thoughtful and constructive way.

One particular issue is the fact that we face a further 15-percent reduction in home health care reimbursement rates, which is currently scheduled to take effect in October of 2001.

We already know that these agencies cannot sustain such a further reduction. But the only thing that this bill does is temporarily delay it for another year.

I have joined with many of my colleagues, including Senator COLLINS of Maine, to suggest the elimination of this 15-percent cut because agencies have to know not only that they have a 1-year reprieve, but they can plan with some confidence for the years ahead, and that they won't face such a further draconian cut in their reimbursement.

It is the only way they can attract the kind of financial lending support they need to cover expenses. It is the businesslike thing to do.

That is another irony. For a party that styles themselves as conscious of

the business community and knowledgeable of the ways of business, the massive distribution of funds to HMOs defy the logic of both the not-for-profit and for-profit HMO because they will not pass them on. They will either disgorge them to their shareholders as profits or they will put them aside so that their ratings and their financing will be that much more secure when they are raided by outside groups.

So this legislation is not only unhelpful for the people who need the help, the providers and ultimately the seniors, but it is, I think, contradictory to the obvious business practices that will be undertaken by the HMOs and others who receive these great funds.

I suggest, again, we go back to the table, that we look hard at all these proposed solutions to the problems engendered by the 1997 Balanced Budget Act in regard to Medicare, and that we strive for a bipartisan approach that will get the money to the providers who give the care to the seniors. If we do that, we are going to make great progress. If we don't do that, we will be back here again next week dealing with another proposal after a Presidential veto.

Now that is just one aspect of what has been transpiring in this body, one aspect of the impasse we face.

Today we sent to the President legislation providing appropriations for Commerce, Justice, and State Departments. What we did not send forth was legislation that would include the Latino Fairness Act, that would include, also, fairness for other groups.

One group in particular of which I have been very supportive is the Liberian community in the United States. I have heard my colleagues on the other side say the reason we are not doing this is because we will not engage in country-specific relief in our immigration laws. That is nonsense. We have had country-specific relief. We have had it throughout the history of this country. One just has to look at the Cuban community in this country to see very specific and very helpful country-specific relief in terms of the rules of immigration, rules of establishing permanent residence.

Also, people suggested we don't want to legitimize people who come here illegally and stay here illegally without the color of law. In the case of the Liberian community, these individuals have been recognized and allowed to stay here under temporary protective status issued first by President Bush and continued subsequently. Now, however, they face deportation because their TPS status has lapsed. They are now under a status called deferred enforced departure—still legal status, allowing them not only to stay here but also to work. So this is a group of people who are legally recognized to be here, and they have the same rights, I believe, or should have the same rights, as everyone else.

This whole issue with respect to Liberians, with respect to Latinos—really, hundreds of thousands who have come here; many have been here for decades or more—who are part of our economy, just as all of those high-tech workers whom we labored so diligently to accommodate under the H-1B visa program. In fact, in places such as Nevada, the home of my colleague, Senator REID, the business communities are asking us to pass the Latino fairness bill because it is their workers who are affected by not being recognized or allowed to establish permanent residence.

I think we can do much more and should do much more. This discussion leads invariably to a litany of lost opportunities and partisan action which undercuts the very brave language of Governor Bush who talks about bipartisanship. Certainly we haven't seen any bipartisanship here. We haven't seen a great deal of leadership here on issues that are important to all of us and are particularly important to the American people.

If we finish next week simply by adopting the remaining appropriations bills, we will have neglected to deal with the real issues that the American people have demanded of us for months and months and months. There will be no prescription drug benefit for seniors. Yet I hazard a guess that each and every one of us has gone back to our States and talked with fervor and passion about how critical it is these seniors have access to a Medicare prescription drug benefit. Yet that is not likely to happen. Another lost opportunity, another missed chance at the issue, another disappointment to the legitimate hopes of the American people that we would work together and accomplish something for them.

We have not enacted a meaningful Patients' Bill of Rights. Yet for months and months and months we have been talking about it. We have seen our colleagues in the other body pass a bipartisan Patients' Bill of Rights. Yet in this body it has languished, and its days are now numbered. So we will not have, for the American people, something they want: Simply to be able to get from their managed care organization the benefits they thought they were entitled to and that their employer typically thought he or she had paid for. But we are not doing that because in this body we didn't pass a real Patients' Bill of Rights. We passed a sham. My collages hoped that sham would be enough of a diversion so the American people will forget what we failed to accomplish.

Education reform. Governor Bush is talking about education and touting his record of education. The Rand study has showed some evidence that is not really a record of success but it is a record of less than success. We haven't even gotten around to doing the routine business of the Congress. This is the first time in decades we

have failed to pass the Elementary and Secondary Education Reauthorization Act. It is the first time we didn't do it in a bipartisan way, listening to the voices of all of our colleagues, trying to accommodate them, all to try to come up with a product that would represent further progress in reforming education.

Reforming education or providing incentives for States to do the bulk of that work because that is their responsibility more than ours—we haven't done that. As a result, we haven't made progress on improving teacher training, we haven't made progress for modernizing libraries, we haven't made progress with parental involvement, we haven't reduced class size or repaired crumbling schools or done all we can to keep our schools safe from violence.

Frankly, one of the reasons we did not have the will to bring this legislation to the floor was a paranoia on the side of the Republicans that we would actually vote on sensible gun controls that would help improve the safety not only of our schools but of our streets and our communities all across this country. And as a result, we sacrificed on the altar of fidelity to the NRA a chance to pass elementary and secondary education legislation in this Congress.

We haven't passed a hate crimes bill that would say stoutly, vigorously and courageously that we just don't talk about tolerance in the United States, we actually have laws to require the same.

We would actually have a Federal statute that would assist communities when they find themselves convulsed by the kind of vicious hate crimes that we saw in Wyoming with Matthew Shepard, that we saw in Texas with Mr. Byrd, so that there would be a Federal response, not just an alternative way to prosecute, but resources to prosecute, with help and assistance. By doing this, we would send a very strong signal that this is not an issue of East or West or North or South, but this is at the core of our American values. This is a country that was built on the idea that men and women from very different backgrounds, very different cultures, very different traditions, could come together and form a perfect union. We have failed in that.

We could go on, too, talking about some of the commonsense gun safety and juvenile justice legislation that has languished and will shortly expire. We have not closed the gun show loophole. That was the loophole that was used by the killers at Columbine High School to obtain some of the weapons they used on that attack. How soon we have forgotten.

We have not passed legislation to require child safety locks on weapons. Yet we know that could save the lives of some children, and even one child's life saved because he or she would not get access to a firearm in the home is something for which we would be very proud. We have not done it, despite

Senator LAUTENBERG's great efforts and the efforts of many of my colleagues.

Although we have engaged in debates about policy, we are looking ahead at the consequences of this election where several things will be extraordinarily important—obviously. First, this election will help cast the composition of our Supreme Court. That is not just a jurisprudential matter, that is not just something that should be of interest to law review editors and students at law schools. It will shape whether or not this Federal Government can still play a vital, active role in the lives of its citizens, because the trend of the Court, the trend of the Republican appointees of the Court, has been to circumscribe, dramatically, the power of the Federal Government to act in lieu of the States.

When people talk about the Federal role in education, that role might diminish dramatically, regardless of what we do in this body, if we have Justices who believe there is no real congressional/Federal role in education. That is a part of the consequences of this election.

Governor Bush has proposed a tax policy that is hard to understand, except for the fact that it seems to leave very little for the other issues with which we must deal: making sure we transform our Armed Forces, making sure we can protect the solvency of the Social Security trust fund, making sure we can keep our Medicare obligations to seniors, making sure we can continue to invest in this country, in its infrastructure—both its physical infrastructure and its human and social infrastructure—through education and training.

We are at a point now where, at the end of this Congress, we are facing the turn point, the turning back from the kind of fiscal discipline that has produced the record prosperity over the last several years, to a situation where we fall back again into deficits, into the high interest rates, into the economic stagnation of the late 1980s and early 1990s. We could miss this opportunity to invest in our people, to strengthen our country, its physical strength and its economic vitality and its military prowess, and also its spirit as a nation of neighbors helping others to make their lives better and to make their communities better.

We have reached this impasse. I hope we can break through this impasse. I hope we can, through deliberations over the next few days, reach a Medicare refinement proposal that will truly help providers and not just HMOs. I hope we can see a Commerce-State-Justice bill that will come back with Latino fairness legislation, that will recognize that these are good people, struggling to be Americans through work and family and all of the attributes that we see as part of America—not a legal status but a condition of the heart and a habit of the heart.

I hope we can do that. But that will take bipartisan effort. It will take all

our efforts. I hope over the next several days we do something we have not done over the last many months—work together for the benefit of the American people.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. L. CHAFFEE). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### THE LAST CONGRESS OF THE TWENTIETH CENTURY

H.R. 2614

Mr. GRAHAM. Mr. President, I come on this early Friday evening with a sense of extreme disappointment, extreme disappointment that we are concluding the last Congress of the 20th century with so little commitment to provide a vision and a sense of assistance and help to Americans as they prepare for the 21st century. I would describe it as the "lack of vision thing." We cannot seem to envisage the surplus as a once-in-a-century chance to tackle the most important issues for our day, issues that will affect our children and grandchildren, issues such as Social Security and Medicare, the two great programs in which the U.S. Government has a contract with its people, and how to deal with the national debt, which grew so explosively over the last 30 years, and that we now have an opportunity to substantially reduce.

Instead, we see the surplus as a giant windfall that allows us to dole out favors to favored constituencies, as if Halloween has already arrived. The result of this "tunnel vision thing," is a bill that will absorb \$320 billion of the non-Social Security surplus faster than the kids next Tuesday will be able to empty their Halloween bags.

As troubling as the specifics of this legislation is the process by which it found its way to the Senate floor. This legislation, which would propose substantial tax reductions and additional provider funding under the Medicare program, is a major assault against our ability to use the budget surplus in a rational way.

As we all remember from Abraham Lincoln's immortal Gettysburg address, ours is a Government "of the people, by the people and for the people."

For such a government of, by, and for the people to function, it must be conducted in full view of the people.

As several of my colleagues have already discussed earlier today, this program of tax cuts and paybacks to additional reimbursement to Medicare providers was created by a self-appointed, elite group of Members in the proverbial smoke-filled room of old-style machine politics. The irony is that the

very Republicans who snuck into the closet, locked the door behind them, and emerged with this poor excuse for a fiscal plan are the same leaders who are now encouraging George W. Bush to be elected President of the United States on a promise to be a uniter, not a divider, and a builder of coalitions and bipartisan consensus.

If this is what the blueprint is for bipartisanship and consensus building, I shudder to imagine the legislation that will ooze out from this closed door should Governor Bush win the Presidency and follow the counsel of those who have brought us to this sad end on this fall evening.

Governor Bush would do well to consider that the Republican Congress lacks the vision thing. It is always more difficult to see the big picture when you are in the dark. The legislation before us is a prime example of what happens when you try to see the big picture in the dark.

I will not claim that this bill is without some positive qualities, some redeeming features. Many of those features I have strongly advocated and, in a number of instances, have been a prime sponsor. But the bill has serious deficiencies. I choose this evening to focus only on two of those deficiencies: First, the high level of additional funding being given under the Medicare program to managed care providers at the expense of the beneficiaries; and, second, the failure to provide adequate incentives for small employers to offer pensions to their employees.

Both of these deficiencies have a common theme, and that is that we are not just proposing measures as a means of adding back or increasing the payments to Medicare providers. We are not providing tax incentives just to reward certain people with additional pension or retirement benefits. We are trying to achieve objectives.

In the case of Medicare, we are trying to achieve the objectives of changing the orientation of this program from one which focuses on illness, one which focuses on treating people after they have become sick enough to go into a hospital or have suffered a major accident, to one which focuses on wellness, keeping people healthy as long as possible, and which recognizes that a fundamental part of any wellness strategy is providing access to prescription drugs which are the means by which conditions are appropriately managed or reversed so that wellness can be achieved or maintained.

We also have as a vision to provide a balanced retirement security for older Americans, a retirement security that is based on three pillars: Social Security, employer-based pensions, and private savings. It is to achieve this goal of a balanced, secure retirement program that we should be directing our attention in terms of how we fashion tax incentives and other measures that use public incentives and funds in order to achieve that objective.

I am disappointed that this tax legislation, this Medicare reimbursement

legislation that we have before us, fails on both of those accounts, and I will elaborate on the nature of that failure.

First, by making health maintenance organizations the only Medicare-based means by which a prescription drug benefit can be achieved, we are, in effect, herding seniors who need prescription drug coverage into private health maintenance organizations. This bill, by any account, gives disproportionately too much money to the health maintenance organizations, organizations that do not need it and do too little to seniors and health care providers who do. We give too much money to the HMOs, too little to the beneficiaries, and too little to other health care providers.

While I appreciate the modest improvements for beneficiaries included in this bill, the fact remains that health maintenance organizations will receive substantially more than one-third of the overall package over the first 5 years and even more over 10 years. I am alarmed by the attempt at offering substantial increases in payments to HMOs because experts tell us that these payments are already too high. The General Accounting Office says that under current law—under current law, not the increases we are considering here—and I quote from the General Accounting Office report:

Medicare's overly generous payments rates to health maintenance organizations well exceed what Medicare would have paid had these individuals remained in the traditional fee-for-service program.

The General Accounting Office concluded that Medicare health maintenance organizations "have never been a bargain for taxpayers."

Increasing HMO payments will not keep them from leaving the markets where they are most needed. According to the testimony from Gail Wilensky, chair of the Medicare Payment Advisory Commission and a former Administrator of the Federal Health Care Financing Administration, HCFA:

Plan withdrawals have been disproportionately lower in counties where payment growth has been most constrained.

The withdrawal of HMOs from counties has actually been lower where the payment growth to HMOs has been most constrained.

It comes down to priorities: Should we spend billions more on HMOs or should we try to help frail and low-income beneficiaries, people with disabilities, and children?

The managed care industry and its advocates in Congress have thwarted every effort to reform the Medicare+Choice Program so that it does what it is designed to do: provide services while saving the Government money.

There is a complex formula by which Medicare+Choice plans are reimbursed. In a simplified form, it works this way. It is an arithmetic formula:

A calculation is done in each county in the country as to how much fee-for-service medicine is costing per Medicare beneficiary. Ninety-five percent of