

beg for forgiveness and say, "I did it to preserve or protect the life of the mother." But, my goodness, what are we doing here? Why are we so radical when we could craft a bill that would be sensible? I think it is all about ideology, about contracts with America; it is not about real people.

I say to my friends in the U.S. Senate, if your wife came home to you and you were facing losing her, you would say to that doctor, "Save my loving wife." You would not want that doctor to be hauled off to jail.

I hope this Senate can take a more moderate course. I will stand here and fight for that moderate course for as long as it takes, because I think this is a very important issue to real people.

Mr. President, I yield the floor.

MORNING BUSINESS

Mr. THOMAS. Mr. President, I ask unanimous consent that now there be a period for the transaction of routine morning business, with Senators permitted to speak therein for up to 5 minutes each.

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

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

THE RECONCILIATION BILL

Mr. KENNEDY. Mr. President, in the reconciliation bill, the Republicans have extended an open hand to powerful special interests and the back of their hand to the American people. Senior citizens, students, children, and working families will suffer so that the privileged can profit.

Republicans are engaged in an unseemly scheme to hide what they are doing from the American people. Their proposals are too harsh and too extreme. They cannot stand the light of day—and they know it.

The fundamental injustice of the Republican plan is plain. Mr. President, \$270 billion in Medicare cuts that hurt senior citizens are being used to pay for \$245 billion in tax cuts that help the wealthiest individuals and corporations in America.

The Republican bills are also loaded with sweetheart deals for special interests, whose money and clout are being used behind closed doors to subvert the public interest and obtain special favors. The sections of the legislation dealing with health care are packed with payola for the powerful.

The dishonor roll of those who will benefit from the giveaways in this Republican plan reads like a "Who's Who" of special interests in the health care industry.

The pharmaceutical industry—the most profitable industry in America—benefits lavishly from the Republican program. The House bill repeals the requirement that the pharmaceutical industry must give discounts to Medicaid nursing home patients and to public hospitals and other institutions serv-

ing the poor. The total cost to the taxpayers from these giveaways is \$1.2 billion a year—close to \$10 billion over the life of the legislation.

The Democrats in the Finance Committee forced the elimination of this giveaway in the Senate bill, and the amendment, which I intend to offer as instructions to the conference, is designed to ensure that it is not included in the conference report.

The American Medical Association also receives lavish benefits in the Republican bill in return for its support of these excessive cuts in Medicare. The weakening of the physicians anti-fraud and physicians conflict-of-interest rules in the Republican program has been estimated by the Congressional Budget Office to cost taxpayers \$1.5 billion over the next 7 years.

Even more harmful to the Medicare patients is the elimination of restrictions on billing, so that doctors will be able to charge more than Medicare will pay, and collect the difference from senior citizens.

Under current law, such billing is prohibited for Medicare patients enrolling in private HMOs or competitive medical plans—the only private plans currently allowed to contract to provide Medicare benefits. The Republican Senate bill eliminates this prohibition for HMOs, and for every private plan. When the plan is fully implemented, senior citizens could pay as much as \$5 billion more for medical care a year as a result of the elimination of these protections.

We had this as an amendment during the time of reconciliation. We received some assurance that the billing provisions had been addressed, the double-billing provisions would be addressed, then under review of the language of the reconciliation we find that no place in those over-1,000 pages could you find the kinds of protections that exist there under the Social Security Act.

Our amendment directs the conferees to restore the limits on such billing and maintain strong protections against fraud and abuse.

Another extreme provision of the House bill is its elimination of all the Federal nursing home standards, a payoff to unscrupulous nursing home operators who seek to profit from the misery of senior citizens and the disabled.

The Senate amendment adopted last Friday pretends to restore nursing home standards to the Senate bill but, in fact, it leaves a loophole wide enough to permit continued abuse of tens of thousands of patients.

It allows State waivers that could weaken Federal standards and avoid Federal oversight and enforcement. Weakening current Federal standards is a giveaway to unscrupulous nursing home operators. This amendment instructs the conferees to maintain the current strict standards.

One of the cruel aspects of the Republican proposal is its failure to protect nursing home patients and their relatives from financial abuse.

Mr. REID. Would the Senator yield for a question?

Mr. KENNEDY. Sure.

Mr. REID. Would my friend—

The PRESIDING OFFICER. The time is expired.

Mr. REID. I ask unanimous consent that I be allowed to speak as in morning business for 5 minutes.

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

Mr. REID. And I extend my time to the Senator from Massachusetts.

How would it work around the country if we had 50 different sets of standards, I say to the Senator from Massachusetts, for how you would manage the standards set for rest homes?

Mr. KENNEDY. The Senator has put his finger on something which is basic to the Republican proposal because you would have 50 different standards for nursing homes in the 50 different States, as you probably would with regard to children and children's coverage, as well as the disabled in various States.

Rather than having a national commitment to our seniors that is implicit in the Medicare concept, Medicare is basically an understanding that as seniors get older their incomes go down and their health needs go up. That happens to seniors all over this country. Medicare recognizes that. What we are doing with the nursing home standards is carving out an area where the Republicans fail to give current protections to those senior citizens, but instead, gives protections to the nursing homes—they will be protected.

For example, in my State of Massachusetts it costs \$39,000 for nursing home care. If a senior qualifies for Medicaid—which effectively means they have no real further assets other than perhaps a very marginal protection for the spouse which was addressed under a different provision—and that individual is in a nursing home, the Medicaid payment is a payment in full.

Effectively under the Republican program, States may provide only about two-thirds of the Medicaid money to nursing homes. The Republicans are cutting out \$180 billion out of Medicaid. We now spend \$90 billion a year on Medicaid. They are cutting out \$180 billion out of the program, which is the equivalent of 2 years of the 7, giving that much less money to the States.

In my State I can understand the State saying we can only pay, instead of the \$39,000, maybe \$25,000. What this legislation will say is, all right, the nursing home can try to sue that family for additional money—not just the \$39,000 but maybe \$42,000 or \$45,000—and at the same time, the Republicans refuse to put in place the nursing home standards. The kind of standards which were developed in order to address the kinds of abuses that were so evidenced in the hearings which our good friend from Arkansas, Senator PRYOR, and others were involved in, in a bipartisan way, in 1987.