

Our business is the Federal budget.

We have a fiduciary responsibility to keep the Government solvent.

I ran my election campaign on the promise that I would work my hardest—and bear my share of the heavy lifting—to balance the budget and end deficit spending.

And I know that all of us, every one of us, Democrat and Republican, realizes that balance can't be bought cheaply or painlessly.

Addressing Medicare's long-term financial problems in ways that maintain the program's long-standing commitment to a defined package of benefits, no matter how sick or poor the senior, must be at the top of our Federal budget agenda.

Mr. President, today I want to conclude my floor statements this week with a short list of basic principles which I believe must under-line Medicare's restructuring effort this year, and which I am convinced a broad, bipartisan consensus may be reached.

I am not arguing that this is the entire reform menu.

And many will note that there's a lot of spinach on the bill of fare before you get to the desert portions.

But I do believe that this is a square-meal reform agenda:

First, I believe that we have to agree in a bipartisan fashion that Medicare remains a defined benefits program, first, last, and always.

We should never turn Medicare into an exercise where elderly and frail beneficiaries, most often single women living on their own on limited fixed incomes, are given a check once a month and told, "here's your benefit, your voucher—go out and buy health care you need and if the benefit runs out I hope you can find help, elsewhere."

This would be an egregious retreat from a basic social contract with our Nation's senior citizens, and one for which I think there is little justification given the kinds of savings we can extract from the program by requiring better management, better plans and more choice.

Second, we must develop spending controls that guarantee access, but at the lowest possible cost to the program and the beneficiaries. Medicare must employ prospective payment systems, putting providers on a daily reimbursement diet, for skilled nursing facilities and for home care, and for other portions of fee-for-service Medicare as opportunities present themselves.

I have introduced a bill that would in part save approximately \$20 billion over 5 years from these kinds of management systems in home care and skilled nursing facilities. Similar gatekeeping ought to be considered for other portions of Medicare that are now driven totally by volume.

Third, the current system of paying for Medicare managed care plans, based primarily on the local cost of fee-for-service Medicare, makes no sense, and we've got to fix it.

We have the strange situation where the highest-cost, volume-driven por-

tion of the program determining how we pay, or reimburse, the part of the program designed to operate as a managed, cost-efficient model.

Our purpose is defeated by trying to marry two completely antagonistic systems. And there are very unwholesome results in the form of beneficiaries in vast numbers of counties where Medicare managed care payments are either dramatically too low, or horrendously too high.

In California alone, the U.S. General Accounting Office has estimated that this leads to over-payments to plans as high as \$1 billion per year.

We have to de-couple the cost of fee-for-service medicine from the formula we use to determine payments to Medicare managed care plans.

Fourth, in a world where we hope that Medicare beneficiaries will have many more choices for health care, Medicare must work much harder to empower those consumers to make appropriate choices.

And this is about better information about the plans available to them, and tools by which consumers can make informed choices about which plan is best for them.

Mr. President, today I spent some time at a Senate Select Committee on Aging hearing that focused on this very issue. We heard testimony on the horrendous difficulty beneficiaries had in places where choice currently exists, trying to figure out what each available plan might provide. The plan brochures are confusing and filled with technicaleeze. And most importantly, it's obvious that there's no way most consumers are going to be able to sit down at a kitchen table and compare one plan against another.

That's got to change. We need a system for Medicare beneficiaries not unlike the system we have in the Federal Employees Health Benefits Program where plans are required to present themselves using conforming language so that comparisons can be drawn.

And we need qualitative analysis by HCFA regarding how well individual plans perform—report card grades, if you will, on items ranging from disenrollment, to how long doctors stay with plans, to how many grievances are filed by beneficiaries.

Fifth, beneficiaries must be reassured that improving consumer protection is still a front-burner issue.

Appeals processes on denial of services must be streamlined. Medicare supplemental insurance laws must be reformed to guarantee issue of Medigap policies to seniors.

HCFA should employ more ombudsmen to help seniors navigate through a Medicare system that will offer more choices, and necessarily will be somewhat more complicated than traditional Medicare.

Five points—a modest agenda. But one that can begin creating huge dividends for our most important social program if we begin our work, now.

There is, I know, a great deal of attraction in subcontracting the job of

reforming Medicare to a bipartisan commission. I have a great deal of respect for my colleagues who have made this argument.

Indeed, the conventional wisdom is that Congress simply does not have the political will to tackle this tough question.

I have had a number of conversations with colleagues on both sides of the aisle, however, and surprising as it may seem there appears to be a hunger to attempt Medicare reform, now. I think there's a general recognition that we enjoy a window of opportunity that is characterized by rapidly falling budget deficits, strong employment and a growing economy, and that the general environment for fixing Medicare may not get much better for an awfully long time.

And finally, let me remind colleagues that the ideas offered here today are not radical, and are really not out of left field.

This model of a competitive, choice-rich Medicare that is efficient while maintaining quality has been road-tested—indeed it exists today—in Oregon, where low-cost, high-quality, coordinated care Medicare now embraces almost 60 percent of the Portland metropolitan area market, and where the highest reimbursement rates for such care are still almost 20 percent below the national average.

We have seen the future.

It works.

It is time for this Congress to begin implementing changes in Medicare that transforms the national program along the lines of what has worked for thousands of seniors in Oregon.

CHEMICAL WEAPONS

Mr. TORRICELLI. Mr. President, this morning, millions of Americans awoke to some startling revelations, news that was particularly painful to thousands of veterans of the Persian Gulf war. Yesterday the Central Intelligence Agency released a report that stated that as early as 1984 it had intelligence reports warning that chemical weapons held by the military of Iraq were stored at a previously undisclosed chemical weapons site.

Indeed, in 1986, the CIA had received even more specific reports and obtained a copy of an Iraqi chemical weapons production plan that mentioned large storage facilities and the exact location and even the types of chemicals and other weapons that were being stored at that location.

Despite each of these reports and the existence of this detailed information in the very files of the Central Intelligence Agency, the Pentagon was not informed at any level on any basis of any of this information when the ground war commenced in the Persian Gulf in January 1991.

Without this information, tragically, American ground forces entered the specific chemical weapons storage facility named within Central Intelligence Agency files in March 1991.

Fully 20,000 American soldiers were in the vicinity and potentially were exposed to the residue of those chemicals when this facility was destroyed.

Two days later, after the destruction of the facility, potentially after 20,000 American soldiers were exposed to these chemical weapons, the Central Intelligence Agency informed the Pentagon of this information and a possible exposure.

Mr. President, yesterday Dr. Robert Walpole, a CIA agency official investigating this incident on behalf of the Central Intelligence Agency, issued an apology to the Nation's veterans. It is not good enough. This Nation for several years has been agonizing about the cause of unknown illnesses among our soldiers. During all of that study, during all the long nights of wonder and doubt and pain, this information was not supplied to the President, the Congress, the commission studying this information or, most importantly, those veterans whose lives may have been permanently changed and damaged. And now we are given an apology.

Mr. President, this is more than a failure in a single instant. It is another example of the fact that the American people and this Government are not being adequately served by the American intelligence community.

Dr. Walpole stated the reasons, in his judgment, for this failure. He said, first, that there was tunnel vision in the American intelligence community; second, that there had been an incomplete search of the files; and, third and perhaps most chilling to all of us who share these concerns about the role of the American intelligence community in working with our military and civilian personnel, he said there was a reluctance by some CIA officials to share some of its most sensitive information with Government officials.

It appeared that some CIA officials knowingly and consciously weighed the sources of their information with the potential of sharing that information with the U.S. military and made the wrong judgment, making victims, potentially, out of our own soldiers.

Mr. President, this is not an isolated failure of intelligence policy. It is indicative of a continuing plague of bad judgment, and it is an indication of a need for large-scale institutional reform of how the intelligence community conducts its business, makes its judgments, and shares its information with elected officials and the U.S. military.

We are experiencing again not only a failure of leadership, but an inability to share at the proper time in the proper manner with the leadership of this Government sensitive intelligence information.

The intelligence community was created in this country to ensure that elected officials had the best information to make the right security judgments for this country, so that the U.S. military would have the best possible information to both prevail in conflicts

and minimize casualties. Neither can be accomplished if officials of the intelligence community do not feel a responsibility, indeed, are not driven by the need to share the best information with the leadership of the U.S. Government.

An apology has been issued to the Armed Forces of the United States and those who may have suffered as a result of this incident. It is not only inadequate, it is a disservice to every man and woman who wears the uniform of this country. The President of the United States and this Congress must respond to this latest incident by beginning institutional reform in the organization, the leadership and, indeed, the mission of the Central Intelligence Agency.

Mr. President, I yield the floor and thank you for your indulgence.

MISSISSIPPI'S ENVIRONMENTAL
SCORE CARD: "LOUISIANA
QUILLWORT 1 AND TIMBER IN-
DUSTRY 1"

Mr. LOTT. Mr. President, finding a new species of plant in America brings mixed reactions. From scientists, it brings the excitement of biodiversity and more opportunities for scientific investigation. But for many Americans, an endangered plant listing often places strict controls on the use and resources of the land where the plant is found. When an endangered plant is found in a national forest, it can curtail the multiple use mission of the U.S. Forest Service. Its mere occurrence can stop the timber harvesting, which is so important to the rejuvenation of the entire forest habitat. And when trees are not cut, there are dramatic economic consequences for the community that lives near the forest and depends on it for jobs.

You can be sure that enthusiasm was not over flowing when Mr. Steve Leonard, Camp Shelby's Heritage Inventory Botanist, announced that the Louisiana quillwort was found in the DeSoto ranger district in Perry County, MI on May 24, 1996.

Mr. President, let me tell you about Perry County. Perry County has only three towns and roughly 11,000 citizens. Perry County contains 410,000 acres, 162,000 of which—over 39 percent—are national forest lands. The employment opportunities are limited primarily to the timber industry. The harvesting and marketing of forest products in the county has created over 1,800 jobs, of which 330 are involved in timber sales in the national forest. Currently, the unemployment rate is 7 percent. This year, Perry County's payment from the U.S. Forest Service for timber sales was cut by \$1.5 million. This money would have been used by Perry County's schools to offset the loss of tax revenue received because of the large land ownership by the Federal Government.

Now along comes the quillwort. This county is already absorbing the eco-

nomics impacts of repeated and failed government attempts to establish habitats for the endangered red cockaded woodpeckers in the DeSoto National Forest. And let's not forget the restrictions for those gopher tortoise.

The residents of Perry County love the environment and many make their living from the environment, but the ever growing restriction on land use challenges their commitment.

The Louisiana quillwort is a very small grass-like plant with just a few strands—smaller than this ballpoint pen—whose scientific name is *Isoetes Louisianensis*. It was first discovered 5 years ago on private property in just two parishes of Louisiana. It was promptly listed as endangered by the U.S. Fish and Wildlife Service, but since then, there has been no monitoring of its population. To this day, there still remains huge scientific factual gaps on the known and potential threats to this plant.

There is one thing I know for sure. There is a lot of this quillwort growing on the edges of stream beds in Mississippi's DeSoto National Forest. It may be scarce in Louisiana, but Mississippi clearly has more than our fair share. This is not unlike many other aspects of the ever-continuing rivalry with our neighboring State. I say this with great respect for my friend and colleague Senator JOHN BREAU, but maybe the name of this species should be changed.

Mr. President, today I am here to honor the dedicated efforts of the U.S. Forest Service employees who walked over 200 miles of stream beds this past winter in order to locate quillwort populations and to ensure there would be no disruptions of timber sales. This was no easy task. The heavy winter rains left boot-sucking mud everywhere.

Mr. President, at the end of my remarks I would like to submit for the record the names of all 48 U.S. Forest Service personnel involved in this effort. I want to recognize them and to thank them. And I know the citizens of Perry County want to thank them.

This was more than an effort by the U.S. Forest Service. It is the story of the individual leadership and excellence of Mr. Don Neal and Ms. Kim Kennedy, two very able U.S. Forest Service employees. They did an outstanding job of determining the environmental consequences and developing a plan of action. Thanks to their efforts, the plan minimized economic impact without compromising the required protection necessary for the quillwort's habitat.

This is also the story of two Federal agencies—each with partially conflicting missions. It took 4 years following the quillwort's initial discovery for the U.S. Fish and Wildlife Service to approve a recovery plan. Fortunately, it took the U.S. Forest Service only 2 months to issue implementing directives. This swift action occurred under the watchful eye of Mr. Robert Joslin,