

bus station by the vanload, where they head elsewhere in the U.S. The number of “absconders”—those who never appear for deportation—is over 90 percent of those released, a number now estimated to be approaching 75,000. Already the number of OTMs captured and released is more so far this year, then for all of last year.

The Southern Border is being left utterly unprotected, and there is the real possibility that terrorists can—or already are—exploiting this series of holes in our law enforcement system along the southern border. These are the things we know. There is no way of even guessing how many others are entering the country, but who are not passing through the hands of government law enforcement officers, so Mr. OBEY’s instructions to our appropriators is extremely timely.

This is a clear and present danger inside the United States, and the number of released illegal immigrants not returning for deportation grows by the hundreds each week. This is willfully ignoring a complex problem that undermines our national objective: to take the war to the enemy so we do not have to fight the war on terror inside our country. It is little wonder that private citizens are taking the law into their own hands to try to stem the tide of OTMs coming into our country. But private militias—operating without the color of law—is not the answer. We must secure our borders so private citizens do not feel the need to do so.

Our budget reflects the values and priorities of the American people. Consider what the 2005 budget did not include:

The Intelligence Reform bill that became law in December, 2004, mandated 10,000 Border Patrol agents over 5 years, 20,000 annually. The President’s budget funded 210 BP agents, the senate added 1,050 agents. The House must stand up and add the full 2,000.

Intelligence Reform mandated an increase of 8,000 beds in detention facilities annually for the next 5 years, still not nearly enough to hold all those coming in the U.S. . . . yet the President’s budget proposal provides for only about 1,900 new detention space beds—over 6,000 beds short of the congressional mandate passed in December, 2004. We can add all the Border Patrol agents we want, but without a place to hold these OTMs, the problem remains.

Grants to reimburse local law enforcement officers that also hold illegal immigrants for the federal government were slashed, adding to the problem. I was a law enforcement officer in my previous life. If we don’t have the border officers to stop the OTMs crossing the border . . . if we don’t have the room to hold the ones we catch . . . if we don’t put our money where our mouth is, we are sending a dangerous signal to those who may wish to do us harm. Until we send a signal that those who cross our borders illegally . . . until we send a signal that when we catch you we will hold you until you are deported . . . until we honestly face the amount of money it will take to deal with these things, OTMs will continue to flock to the U.S.

We must send that signal today. Homeland security must be about the security of our people and our property, it cannot be budget driven as it is today.

Lastly, as a fiscal conservative and member of the Armed Services committee, I know it is ultimately the responsibility of Congress—not

the Administration—to properly spend money on military operations. To that end, I thank our Ranking Democrat on appropriations for including in this motion a provision requiring future funding for our military operations to be included in the President’s budget.

All the money we appropriate here is the people’s money and we must be good stewards of it. To rush through special bills to fund the military when committees of jurisdiction have not had the opportunity to review the bills is an abdication of our responsibility.

I encourage the members to support this motion to instruct our conferees on the Supplemental appropriations bill to include funding for border security and to require further military funding requests move through our regular authorization process for the fullest scrutiny by the authorizing committees.

Mr. LEWIS of California. Mr. Speaker, I yield back the balance of my time.

Mr. OBEY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Wisconsin (Mr. OBEY).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. OBEY. Mr. Speaker, I object to the vote on the grounds that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until approximately 5:30 p.m. today.

Accordingly (at 4 o’clock and 57 minutes p.m.), the House stood in recess until approximately 5:30 p.m. today.

□ 1737

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. BIGGERT) at 5 o’clock and 37 minutes p.m.

APPOINTMENT OF CONFEREES ON H. CON. RES. 95, CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2006

Mr. NUSSLE. Madam Speaker, I ask unanimous consent to take from the Speaker’s table the concurrent resolution (H. Con. Res. 95) establishing the congressional budget for the United States Government for fiscal year 2006, revising appropriate budgetary levels for fiscal year 2005, and setting forth appropriate budgetary levels for fiscal years 2007 through 2010, with a Senate amendment thereto, disagree to the

Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MS. HERSETH
Ms. HERSETH. Madam Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Ms. Herseth of South Dakota moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the concurrent resolution H. Con. Res. 95 be instructed, to the maximum extent possible within the scope of the conference—

(1) to recede to the following findings of the Senate: (A) Medicaid provides essential health care and long-term care services to more than 50 million low-income children, pregnant women, parents, individuals with disabilities, and senior citizens; and (B) Medicaid is a Federal guarantee that ensures the most vulnerable will have access to needed medical services;

(2) to strike reconciliation instructions to the Committee on Energy and Commerce and recede to the Senate by including language declaring that a reconciliation bill shall not be reported that achieves spending reductions that would (A) undermine the role the Medicaid program plays as a critical component of the health care system of the United States; (B) cap Federal Medicaid spending, or otherwise shift Medicaid cost burdens to State or local governments and their taxpayers and health providers; or (C) undermine the Federal guarantee of health insurance coverage Medicaid provides, which would threaten not only the health care safety net of the United States, but the entire health care system;

(3) to recede to the Senate on section 310 (entitled “Reserve Fund for the Bipartisan Medicaid Commission”) of the Senate amendment; and

(4) to make adjustments necessary to offset the cost of these instructions without resulting in any increase in the deficit for any fiscal year covered by the resolution.

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentleman from South Dakota (Ms. HERSETH) and the gentleman from Iowa (Mr. NUSSLE) each will control 30 minutes.

The Chair recognizes the gentleman from South Dakota (Ms. HERSETH).

Ms. HERSETH. Madam Speaker, to explain the motion, I yield myself such time as I may consume.

The House-passed budget directs the Committee on Energy and Commerce to cut spending on programs within its jurisdiction by \$20 billion over 5 years. The vast majority of this \$20 billion in spending cuts, if not all of it, will likely fall on Medicaid. I and many of my colleagues in this body strongly oppose this language.

The majority of our counterparts in the Senate apparently share some of our concerns. The Senate approved an amendment by Senators SMITH and BINGAMAN to strike reconciliation instructions in the Senate budget that would have directed the Committee on Finance to cut spending by \$15 billion over 5 years, which all would have been from Medicaid. The Senate amendment

also created a reserve fund allowing for the creation of a bipartisan commission on Medicaid reform.

This motion protects Medicaid by instructing conferees to follow the Senate's lead and strike reconciliation instructions that target Medicaid for funding cuts and instead include a \$1.5 million reserve fund for the creation of a bipartisan Medicaid reform commission.

Forty-four of my Republican colleagues in the House recently wrote a letter to the chairman of the Committee on the Budget, urging him to remove Medicaid reductions in the budget resolution. In this letter they stated, "We are concerned that the inclusion of up to \$20 billion in reductions from projected growth in the Medicaid program will negatively impact people who depend on the program and the providers who deliver health care to them . . ."

"We strongly urge you to remove these reductions and the reconciliation instructions targeted at Medicaid and, in their place, include a \$1.5 million reserve fund for the creation of a bipartisan Medicaid Commission . . ."

Fifty-two Senators, including several Republicans, voted to strike Medicaid cuts in the Senate budget resolution and instead allow for the creation of a bipartisan Medicaid commission. The amendment's sponsor in the Senate, Mr. SMITH of Oregon, stated that "I would rather do this right than do this fast . . . I don't know where the original Senate cut of \$14 billion came from. But I know what it is going to mean: another 60,000 Oregonians may be losing health care, pressuring private plans, overwhelming emergency rooms."

During that same debate, Senator MCCAIN of Arizona stated that "cuts to Medicaid that result in reduction of covered individuals would flood hospital emergency rooms with additional uninsured patients, forcing hospitals to absorb additional costs for uncompensated care."

And Governors are virtually unanimous in their opposition to allowing arbitrary budget cuts to drive Medicaid policy. For example, the Republican Governor of Ohio said, "We do not support recommendations that would save the Federal Government money at the expense of the States." Perhaps Arkansas's Republican Governor stated it best when he said, "People need to remember that to balance the Federal budget off the backs of the poorest people in the country is simply unacceptable."

And the American people agree. Four out of five Americans oppose cutting Medicaid to reduce the Federal debt, according to a poll released today by AARP. Across the country many hospitals, assisted living centers, and nursing homes have high Medicaid utilization rates and are reliant on Medicaid as a major source of funding.

But Medicaid is not keeping pace with the cost of providing health care.

This is particularly true in rural States like South Dakota, which is one of the States hit hardest by Medicaid's shortfalls. According to a new report to be released tomorrow, Medicaid long-term care for economically disadvantaged elderly persons is underfunded by \$4.5 billion annually. The results are both real and devastating.

In 2004, South Dakota's Evangelical Lutheran Good Samaritan Society facilities saw a net operating loss for Medicaid patients of over \$3.5 million for the year. In January the Good Samaritan Society announced it would be closing three facilities in eastern South Dakota.

This means that for some South Dakotans, they will not have access to the medical and long-term care services they need, or they will find themselves moving further from their families in order to find an available facility. This also means the loss of jobs in our smaller communities. And it means as a Nation we are failing our poor, our elderly, and our rural communities.

Talk of cutting \$20 billion out of the Medicaid system over the next 5 years is completely at odds with the needs of people in South Dakota and across America.

In fact, a coalition of 135 organizations that represent groups ranging from medical specialties to faith-based groups have asked the conferees to eliminate all proposed reductions in Federal funding for Medicaid from the final fiscal year 2006 budget. The letter, signed by the American Diabetes Association, Catholic Charities USA, and other organizations, said that the "elimination of such cuts is essential for the health and long-term care of Medicaid enrollees, the providers who serve them, and State and local units of governments."

□ 1745

That is why this motion is so important. It protects this critical program by instructing conferees to follow the Senate's lead and strike reconciliation instructions that target Medicaid for funding cuts. I urge my colleagues to support this motion and to protect Medicaid.

Madam Speaker, I reserve the balance of my time.

Mr. NUSSLE. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, this is a very interesting motion to instruct conferees. First of all, I am happy that we are at the point in time where we are able to go to the conference with the other body and complete our work on the Concurrent Budget Resolution for Fiscal Year 2006. This is never an easy road to travel when you are trying to accomplish so much, when you are trying to accomplish reforms in some very challenged programs that by anyone's estimation are unsustainable and are growing beyond the means not only of the Federal Government to fund but also State governments to fund.

It is always difficult when you have different ideas from different chairmen, different bodies, different leaders, different parties who want to come forward and make their mark on exactly what that spending blueprint should be. But I would like to acknowledge that I think we are all happy we are finally getting to a conference and the ability to work out our differences.

As such, I look at this motion to instruct conferees, and I am wondering what the controversy is. All of what the gentlewoman just said are comments that my colleagues on both sides, whether you are Republican or Democrat, have made throughout the entire debate over the budget.

We have an unsustainable program called Medicaid which is not serving the most vulnerable people in our society to the fullest extent that it should or that it must in order to meet not only the obligations that we have entrusted in the program but also to make sure that it is sustainable, not only in the short run of our budget, but also long term in our overall fiscal situation that our country faces and that many of our States face. So as I read the motion to instruct conferees, I am puzzled by what the controversy is.

It says we should recede to the following findings. Those findings are that Medicaid provides essential health care and long-term care services to more than 50 million low-income children, pregnant women, parents, probably grandparents as well and great grandparents of many of ours, individuals with disabilities and senior citizens; and that, B, Medicaid is a Federal guarantee that ensures the most vulnerable will have access to most needed medical services.

We all agree. There is nobody here that disagrees with that. That is what the program was set up for; and that is the reason why we are so intent on reforming it, so that it continues to meet that mission and continues to deliver quality health care services for our parents and our grandparents, children who may be of low-income families and people with disabilities and senior citizens. It is a guarantee. It is something that we all believe in. We are here to help people who cannot help themselves.

Unfortunately, this program in many instances in its current state, 40 years old now, you might not be surprised to hear that it needs a little bit of work, it needs a little bit of reforming. The Governors have figured that out, and they have come to Washington with proposals that find savings, not cuts. They are themselves proposing savings in the neighborhood of \$8 billion to \$9 billion, and that is just their first inception, that is just their first proposal, before we even go down that road.

Then I looked further at the motion to instruct conferees and it says: "To strike reconciliation instructions to

the Committee on Energy and Commerce and recede to the Senate by including language declaring that a reconciliation bill shall not be reported that achieves spending reductions that would undermine the role the Medicaid program plays as a critical component of the health care system of the United States."

I say again, there is no controversy in that. That is not the intent of the budget, that is not the intent of the conference, that certainly is not the intent of either reconciliation instruction. In fact, we think it is a pretty good idea to set up a conference and to set up an opportunity to take a look at this in some type forum, whether it is a task force, whether it is a working group, however you want to put it together, in order to come up with ideas and resolve this problem.

We want to invite the Governors to the table. Certainly they have the best perspective when it comes to how this program works in their individual States. Many of them have sought waivers in order to be able to reform the program on the ground in which they see it so that that program which delivers these essential services can be met and delivered in a more quality way to our seniors and to our citizens with disabilities, to our parents and grandparents, and to our most vulnerable who may be low income.

So I do not see the controversy. I understand that because, as the gentlewoman said, there are polls, there certainly is politics involved. Anytime that anyone wants to bring forward any kind of reform measure, the immediate thing is to rush breathlessly to the floor and claim that it is cutting funds for people, and it is cutting the most vulnerable and it is hurting people, and that is exactly what was said about the welfare reform bill when it came to the floor not 10 years ago, and it did not happen. It helped people. It unlocked from poverty thousands upon thousands of families and children in our society who all they needed was a hand up. For a while they may even have needed a handout. But because of the requirements that we passed in a bipartisan way, we were able to rise above the politics and the rhetoric and help people. That is what we want to do here.

There is not one Member who can come to the floor and say this Medicaid program is working in your State to its fullest extent, not one of you. Not one of you can say that. There is not one Member in the other body who can say that. There is, I dare say, not one Governor who can claim the Medicaid program in their State is working. So you are asking us here today in a political way, in a nonbinding motion to instruct, to do nothing.

Thankfully, that is not how you crafted technically your motion to instruct. You gave just a little bit of a backdoor, because you know as well as we do that this program needs attention, that it needs reformation, that it

needs Governors and Congress and the administration to sit down and talk about the future of a program that is needed in order to deal with the most vulnerable in our society. So thank you for not crafting this in such a fail-safe way so that we had to vote against it and suggest that Medicaid should not be reformed, because, of course, it should.

I hope that is not what you are saying. If you are, say it. If you are saying do not reform Medicaid, do not touch it, do not change it, it is perfect, it is helping people, come to the floor and dare to say that. But if that is not what you are saying, then save that political rhetoric for some other time and let us work together to fix it.

That is what this ought to be about. Republican and Democrat Governors are certainly willing to do that. They are sitting down. I have got proposals here that add up to \$8.6 billion of ideas that the Governors have already agreed to as a starting point. Now, are we claiming that those Governors are cutting? Are they gouging? Are they throwing people out on the street? Are they hurting seniors and people with disabilities?

Certainly that is not what we are saying. That is not what we would claim they are doing. They see a problem, they have come together to try to fix it, and that is what we should do as well. Reconciliation gives us that opportunity.

So I appreciate the gentlewoman's motion to instruct. It is crafted perfectly so that political points can be made. But there is just that little backdoor that says, you know what, even though we kind of like the Senate language, we like the fact that they are putting together ideas, we like the fact that the Governors are coming to the table, we heard all of that rhetoric, even though we want to make some political points today, there is a little bit of a backdoor so we can all vote for this and say that the Medicaid program, as most of our Governors would suggest, is unsustainable. It is unsustainable whether you are in the capital of your State or whether you are in Washington, D.C. And that is why we need to come together as Republicans and Democrats, in order to fix this.

So I appreciate the way the gentlewoman has crafted it. I am going to urge my colleagues to vote for the motion to instruct. I think it is well-crafted, to give everybody the opportunity to make the political points, to issue your press releases. I know you are going to do that. Knock yourselves out. I am sure they are already on the fax machine. But in the meantime, after all of the fax paper has cleared the air, let us sit down and talk about ways to fix this program so it actually does help people who are in need and were truly meant to be the focal point of this program when it was invented 40 years ago and which has rarely been changed from a Washington perspective ever since.

Madam Speaker, I reserve the balance of my time.

Ms. HERSETH. Madam Speaker, I yield 5½ minutes to my good friend, the gentleman from Maryland (Mr. HOYER), the distinguished Democrat whip.

(Mr. HOYER asked and was given permission to revise and extend his remarks.)

Mr. HOYER. Madam Speaker, I thank the gentlewoman for yielding me time, and I thank her for her leadership on this very important issue.

Cleverness says that when you are going to lose, declare victory. That is what the gentleman from Iowa (Chairman NUSSLE) is going to do; he is going to declare victory, because what he says is there is consensus on his rhetoric. He is correct.

What there is not consensus on are the policies pursued by the chairman, the Committee on the Budget, and the majority. The chairman's budgets have put America \$2.4 trillion in additional debt from when he took over just 4 years ago. As a result of putting us \$2.4 trillion in additional debt, we are having trouble paying our bills.

This year alone we are going to have a budget deficit of half a trillion dollars. They do not count some of it. They pretend some of it is emergency spending, and they do not even count AMT fixes. There are a lot of things they do not count. But the fact of the matter is that their policies undercut their rhetoric, and the reason the chairman is going to support the gentlewoman's resolution is because of this chart: 44 of his Republican colleagues who said this is bad policy, do not do it. Not Democrats, Republicans. Forty-four of them.

Madam Speaker, I thank you for signing on to that letter, because you knew that the policies proposed by the Republican budget were, in this instance, not policies you wanted to pursue.

Madam Speaker, less than 4 weeks ago, on March 31, the President of the United States said, "The essence of civilization is that the strong have a duty to protect the weak." On that very same day, the majority leader in this body, the gentleman from Texas (Mr. DELAY), stated, "The one major responsibility of a government is to protect innocent, vulnerable people from being preyed upon."

I absolutely agree that we not only have a duty but we have a moral responsibility to protect the weakest and most vulnerable citizens in our Nation. That, I tell the chairman of the Committee on the Budget, is what Medicaid is all about. And the gentleman's rationalization that Medicaid must be fixed, in which he is also correct, we all agree. But like your Social Security solution, of privatizing Social Security because it has financial problems, realizing full well that your privatization does not affect solvency at all, is an empty solution, because you do not know how to solve it yet because you

have not come across with a suggestion.

All you have said is to cut the legs out from the most vulnerable, which Medicaid serves. That is what you have said. That is why these 44 colleagues of yours, not Democrats, Mr. Chairman, Republicans, 44 signed this letter.

You know you are going to lose this motion, and so you are going to agree with this motion on some rationalization that we suggest a commission to come up with a solution, because you are right, absolutely right: we know that we have to come up with a solution because we cannot let down the most vulnerable in our society.

□ 1800

But I do not understand, notwithstanding the Speaker's rhetoric, notwithstanding the rhetoric of the gentleman from Texas (Mr. DELAY), notwithstanding the chairman's rhetoric, notwithstanding the President's rhetoric; if the President, the majority leader, and the House Republicans are truly concerned about protecting the weak and vulnerable, why are they so intent on slashing Medicaid funding so deeply?

The fact is, Medicaid finances health care for more than 58 million Americans, including 28 million low-income children, nearly 16 million parents, and nearly 15 million elderly and disabled citizens. Yet the House Republicans' budget would cut Medicaid funding by \$20 billion over 5 years, a cut so draconian that 44 House Republicans, as I said, have said no to that cut.

I urge my colleagues to support this motion to instruct. My understanding is the chairman is going to support it. I am pleased about that, but nobody ought to misunderstand that "this is a political judgment that we are going to lose, so we will pretend that we win." He did the same thing when the gentleman from South Carolina (Mr. SPRATT) offered his motion and we were going to win last year.

We need to protect our vulnerable citizens. The President of the United States is correct, the gentleman from Texas (Mr. DELAY) is correct. Vote for this motion to instruct. Not only that, I hope the Chairman will take this motion to instruct not just as a request, but as a moral duty.

Mr. NUSSLE. Madam Speaker, I yield myself 1½ minutes.

I want Members who are listening, maybe in their offices or here on the floor, and anyone else that is interested in listening to this debate today, listen for four things. Listen to whether you hear anyone come to the floor today and defend the Medicaid program as it stands today as perfect. My colleagues did not hear the gentleman from Maryland say that because, of course, he does not agree with that. Listen to hear if you hear any Member come to the floor and say, absolutely not, you cannot find a nickel's worth of savings in the program. You will not hear any Member come to the floor

today and say that. I dare say the gentleman from Maryland would not say that.

Listen to this: Did the gentleman say he was against reform? Of course not. The gentleman from Maryland knows that in Maryland, as in Iowa, the program needs help if it is going to meet the needs of a changing world and meet the needs of its original mission. And listen to hear whether you hear any of them come forward and disagree with the bipartisan result of the Governors coming forth with savings. Not one Member will come today, I would dare say, and suggest that they are going to disagree with the Governors who come forth with ideas. My colleagues will not hear that.

So make your political points; even bring in Social Security. Did my colleagues hear that one? Social Security was even raised today. Boy, we are going to hear all sorts of great arguments, but we will not hear one that says we cannot find savings, this program is perfect, we are against reform, and we disagree with the Governors. We will not hear that. That is why we need to move forward with a reform of the Medicaid program ushered in by this budget.

Madam Speaker, I reserve the balance of my time.

Ms. HERSETH. Madam Speaker, I yield 30 seconds to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Madam Speaker, I say to the chairman of the Committee on the Budget, my suggestion is to come forward with a reform program. Let us consider it. But do not cut vulnerable people prior to coming up with solutions. Do not make them pay the price of losing Medicaid while we are trying to solve the problem. Let us solve the problem.

The gentleman is right, and we are not going to come to the floor saying there is no problem. But we are going to come to the floor and say, do not have vulnerable people let down while we are trying to solve that problem.

Mr. NUSSLE. Madam Speaker, I yield myself 15 seconds to just say I have a reform idea right here from the Governors that I would agree to right now.

Mr. HOYER. Madam Speaker, if the gentleman will yield, the gentleman is on the Committee on Ways and Means. Pass it and make it policy.

Mr. NUSSLE. Madam Speaker, reclaiming my time, the Committee on Energy and Commerce has jurisdiction. But be that as it may, I yield myself 15 more seconds to say that all I am suggesting is there are some good ideas that are out there, and the budget is a vehicle to accomplish a reform schedule. That is what we are trying to agree to, and I appreciate the fact the gentleman wrote the motion to instruct to give us the opportunity to meet that reform schedule in a bipartisan way, I hope.

Madam Speaker, I reserve the balance of my time.

Ms. HERSETH. Madam Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. DINGELL), my esteemed colleague and ranking member of the Committee on Energy and Commerce.

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Madam Speaker, I rise in strong support of the motion to instruct, and I observe that this motion instructs the conferees to recede to the Senate position. Instead of Medicaid cuts, a nonpartisan, independently appointed commission would be instructed to come up with improvements in the program. That is exactly what the gentleman from Iowa suggests.

Now, let us look. There is money here to make a better use of public funds. The MEDPAC, the Medicare Payment Advisory Commission, observed that we overpay the HMOs by \$20 billion. That happens to be just about exactly the amount of the cut that we are talking about here.

Every Governor in the United States is in favor of this motion. Medicaid is critically important to more than 50 million Americans. It provides health care for 1 in 4 children. It is a lifeline for the elderly and for individuals with disabilities. It pays for long-term care, and it helps those who have had the misfortune of becoming ill and needing help in their basic activities of daily living.

The proposed cuts in the program would cause undue harm to millions of our most vulnerable Americans. If a \$10 billion cut were enacted, my home State alone stands to lose more than a quarter of a billion dollars over the next 5 years. I would tell the gentleman from Iowa, he better look to see what happens to his State. A bipartisan majority of both the House and Senate oppose cuts in this program. Nearly 1,000 State organizations and more than 800 national organizations have voiced strong opposition to this.

The problem is not Medicaid. It has done a better job in holding down costs than has private insurance. Medicaid is absorbing the costs of care not covered under Medicare. An independent look at Medicaid may show that there is a better solution, but the better solution does not involve blindly cutting monies now so desperately important to people of this kind and so urgent for the States.

Mr. NUSSLE. Madam Speaker, I yield myself such time as I may consume just to respond and say, okay, I stand corrected. I thought no one was going to come to the floor and say do nothing. But I guess there are going to be a few Members who come to the floor and say do nothing. I am surprised by that. I think there will be a bipartisan vote today to do something, but doing nothing I really believe is not an option, and I guess I am surprised that there will be Members who will come to the floor today and do absolutely nothing to help improve the Medicaid program.

But I know someone who wants to do something.

Madam Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. DEAL), the very distinguished chairman from the Committee on Energy and Commerce.

Mr. DEAL of Georgia. Madam Speaker, I thank the gentleman for yielding me this time.

As I look across the aisle, I see some of my colleagues who work with me on the Committee on Energy and Commerce, and I truly believe that all of us want to do what is right. We want to find a solution.

The fact is that the issue is one that on a bipartisan basis Governors say has to be dealt with. In fact, as recently as only over a week ago, Governor Mark Warner, a Democrat Governor of Virginia, who is the chairperson of the Governors' Association, National Governors' Association, made this comment: "We are on our way to a melt-down." That is the message that we hear repeatedly when we talk with Governors. And the reason is that the cost of Medicaid to States has now exceeded the cost of both elementary and secondary education in their State budgets, and they need relief. The relief that they seek in the current system is to come to Washington and ask for a waiver. And repeatedly, Governors come and say to us at the Federal level, the program that you have in place is too rigid. It does not allow us the flexibility to deal with the problems that we face in our State to give the best health care to our citizens. So they are asking for waivers.

I, for one, and I commend the gentleman from Iowa (Chairman NUSSLE) for his efforts in this regard; I believe that now is the appropriate time for us to give the Governors that relief. I think that relief should come in the form of changing the program.

I had a Governor recently who said his approach to it is to ask the question, if you were drafting Medicaid today, would it look like what it looks like now? And everybody agrees it would not.

So I think this is an opportunity, one that we should not allow to be bypassed, one that we should work cooperatively across the aisle here in this body, as the Governors are working in a bipartisan fashion of their own. The gentleman from Iowa (Chairman NUSSLE) alluded to some points that the Governors have agreed to on a bipartisan basis, and certainly those are very significant. The score that I see now is about \$8.6 billion on the score that I have seen on the parts that they have agreed to. I think there will be more. I think we will hear some very innovative suggestions from the Governors, and I think that if we work together and put aside our partisanship and try to do what is not only best for the citizens we represent in our congressional districts, but what our Governors do in our respective States and, working together, we will arrive at a solution.

Ms. HERSETH. Madam Speaker, I yield 1 minute to the Democratic leader, the esteemed gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Madam Speaker, I thank the gentlewoman for yielding me this time, and I commend her for her leadership in bringing this very important motion to instruct to the floor.

It is crystal clear, Madam Speaker, that a majority of Members in both bodies oppose cuts to Medicaid. The other body voted to remove such cuts on the floor of the Senate. With 44 House Republicans signing a letter calling for no Medicaid cuts and a solid Democratic opposition, a majority of this body also prefers a solution with no Medicaid cuts.

The regular order, as my colleagues know, Madam Speaker, is to appoint conferees, instruct those conferees, resolve differences with the other body, and report back a conference agreement. But the Republican leadership knew they could not defeat a motion to protect Medicaid, so rather than follow the regular order, they negotiated behind closed doors to include Medicaid cuts in the final budget report, regardless of how the majority in both Houses vote and how we vote in this House on the motion to instruct.

I usually do not like to talk about process in the House, but this is a time when process has a very direct impact on policy, and a policy that has a direct impact on the health of the American people.

Press reports indicate that the final agreement between the House and Senate will contain between \$8 billion to \$10 billion in Medicaid cuts. This conference report would not only ignore the will of the majority of both houses but, according to the Congressional Budget Office, it would include deeper cuts than originally proposed by the President, and vehemently opposed in both houses.

Madam Speaker, States have undergone a wrenching budget process. When the President first proposed Medicaid cuts in early February, many Republican Governors spoke out against them. One of them, Republican Governor Mike Huckabee of Arkansas, said, "People need to remember that to balance the Federal budget off the backs of the poorest people in the country is simply unacceptable."

It is unacceptable but, unfortunately, it is standard operating procedure for the Republican leadership in Congress.

I am hopeful that a significant number of Republicans will join our motion to instruct, being true to the letter that they sent opposing cuts, and protect Medicaid.

If Congress cuts Medicaid funding, States will be forced to reduce Medicaid coverage or benefits, jeopardizing needed services for low-income Americans. Over the last 4 years, more than 5 million people have joined the ranks of the uninsured. That number would more than double if it were not for the Medicaid program.

Make no mistake: Cutting Medicaid funds will increase the number of low-income Americans who are uninsured to partially pay for \$70 billion in tax cuts. Many of these uninsured poor Americans are children. I do not think that it really is a statement of our values in a budget to cut the health care for our children, for the poorest children in America, in order to give the tax cuts to the wealthiest people in America.

□ 1815

And yet at the end of the day, this budget will do all of that and increase our deficits. This is wrong. This is unjust. And I urge my colleagues to vote for this very important motion to instruct to return a conference report to this body with zero Medicaid cuts.

Mr. NUSSLE. Madam Speaker, I yield 4 minutes to the distinguished gentleman from Florida (Mr. PUTNAM), a member of the Budget Committee.

Mr. PUTNAM. Madam Speaker, I thank the chairman for yielding me some time. It is interesting to hear the comments of the distinguished minority whip and minority leader. But I am curious about something. I am curious how such a great party and the party that gave birth to some of the pillars of domestic policy in this country, has become the party of denial, the party of doing nothing.

When it comes to discussing Social Security reform, their answer is, do nothing. We have until 2040 or 2041.

When it came time to reform Medicare and even enrich and modernize the benefits available for seniors, their answer was vote against it. Do nothing.

And here today we are discussing a third pillar of domestic policy in this country that helps enrich the lives and provides a safety net for so many of those who are less fortunate in our society, and to put forward a reform proposal, and their answer is to do nothing.

Governor Mark Sanford, the Governor of the State of the ranking member of the Budget Committee, said the subject of Medicaid reform is important and timely. Our system, as currently configured, works fundamentally against the taxpayer and against the consumers in the form of Medicaid recipients and patients.

Governor Blunt of Missouri and Governor Granholm of Michigan agreed that the program is unsustainable.

Governor Vilsack of Iowa: "If you do the numbers, they just do not add up."

The South Dakota Governor, opening the legislative session, bemoaned the dramatic increases in how they are cutting into available funds for other folk, for other programs, and pointed out that the State health care program is growing at a 2 percent rate and Medicaid is going up at 18 percent, something that is unsustainable.

The Governors, on a bipartisan basis, have already, after this subject just coming forward weeks ago under the leadership of the gentleman from Iowa

(Chairman NUSSLE) and the Budget Committee, have already developed a plan that generates nearly \$9 billion in savings, and that is the first draft.

How is it that the great party that stood for great opportunities to help those in need has gone into denial and said, we will not change a thing. Everyone agrees the rate is unsustainable. Everyone agrees the costs are eating up State budgets. Everyone agrees that there is tremendous opportunity for savings that can then benefit other important programs; but our answer is to do nothing, or to outsource the job to a commission. And if the pattern holds, when the commission, if it is appointed, comes back with their findings, they will besmirch the reputation of the members of that commission, particularly those from their own party who were selected in one form or another by the President or by the Congress. That is what happened with the Social Security Commission and the distinguished Senator Moynihan. Why would this be any different?

Why would the party that is so responsible for originating these grand ideas be so irresponsible about making them relevant to people of my generation or the distinguished gentlelady from South Dakota's generation? Why is that? Why would you outsource the responsibility to provide a solution?

It is an important step that the House Budget Committee took in directing the Energy and Commerce Committee to take a hard look at these programs and find savings. It did not specify where they would come from. It did not tell them how to do their job. It directed them to take a hard look at where 55 percent of our budget today is going in the form of mandatory spending. And a huge part of that is in the Medicaid program.

I would encourage all of us to agree that there is a problem and move forward with some commonsense reforms that include saving the taxpayers money when possible.

Ms. HERSETH. Madam Speaker, I yield 1 minute to the gentleman from South Carolina (Mr. SPRATT), ranking member of the Budget Committee.

Mr. SPRATT. Madam Speaker, let me say in response to the last speaker that this party proudly presented a budget resolution that brought the budget to balance in the year 2012 and did not do it on the backs of the most deserving in our country, the sick and the elderly who depend upon Medicaid.

And lest there be some misunderstanding, this budget makes the deficit worse, not better, because it calls for \$106 billion in additional tax cuts. And the primary purpose and function and reason for these Medicaid cuts is to diminish the \$106 billion so it does not swell the deficit any more grossly out of proportion than it already is. This does not go to the bottom line and reduce the bottom line at all. It leaves us with a bigger deficit because it only partially offsets the \$106 billion in tax reduction that the resolution also calls

for. So it is not necessary. And that is recognized by the 44 Republican House Members who signed the letter urging that this resolution not contain any cuts in Medicaid.

Mr. NUSSLE. Madam Speaker, I yield myself as much time as I may consume.

I want to make sure people are, and Members are, listening to this debate and are reading the language, because again, if you want to come down here and vote politics again, you want to put out your press releases and fax machines are going whizzing around, hey, knock yourselves out.

But we have got a job to do down here, and we should read the language in front of us. And, again, it says that we should not report a reconciliation bill that achieves spending reductions. I just want to make sure people understand that, because I want to give you the actual numbers for Medicaid. If you are bored about numbers, turn down the sound because I am about to quote some numbers. But this is serious business.

I want to tell you what the Medicaid program is going to spend over the next 10 years. And I want you to listen to the numbers and the increases. This year we are going to spend \$183 billion, which is almost a 4 percent increase from last year; \$190 billion the next year, \$202 billion. It goes up: \$220. It goes up by 9 percent that year; \$239 billion, goes up by almost 9 percent that year. \$260 billion by 2010. By 2010, \$260 billion. That is almost as much as we are spending on national defense right now. \$282 billion, \$304 billion. It goes up every single one of those years. Out of that \$1.1 trillion or more, it is actually a little bit more than that I just quoted, we are saying in the House budget, even before we talk about a compromise with the other body, we are saying, instead of growing at an average rate of growth per year of 7½ percent, we want to grow at 7.3 percent.

We are going to grow every year. There are not spending reductions. Every single year of the House budget spending for Medicaid goes up. Every single year. Every year it goes up. There were no spending reductions.

Now, are we slowing down the growth?

Yes. And that is what the Governors have asked us to do. That is what they are coming here with proposals to accomplish. And their proposals that they have put forth, some have not even yet been scored, but the ones that have been scored by the Congressional Budget Office, which tries to add all that up and to find out what savings we have got, of the six main proposals that the bipartisan Governors have come forth with, they have already found \$8.6 billion, and three of the proposals have not even yet been scored.

So to say there is no savings, to say that we are hurting the most vulnerable, to suggest that nobody wants reform, again, I would ask colleagues to listen to the debate.

Will there be political rhetoric today?

Yes. Unfortunately, that will be true. The same happened in the welfare reform debate. Members came to the floor saying we should not do anything. We should not make changes, we should not reform the program. Let us keep what we have got. We changed the program, and people were helped.

No Member is going to come to the floor today and say the Medicaid program is perfect. I dare say no Member would come to the floor and tell you that. No Member is going to come to the floor today and say we cannot find savings.

Actual cuts? I can understand why they might come to the floor. But that is not what is being proposed.

But can we find savings? Every Member will come to the floor today and say of course. If you look at a program long enough that is 40 years old and has never been changed, of course you can find savings, particularly one that in a bipartisan way every Governor is either asking to get out of through a waiver or is coming to Washington to suggest that we need to reform.

No Member is going to come to the floor today and say we should do absolutely nothing, with just a few exceptions. There may be a few Members who try and do that. And there will be no Members who come to the floor today and suggest that the Governors in a bipartisan way have put forth ideas that are not worthy of consideration. We need to consider it.

Again, I am very happy that the Members on the other side have given us a motion to instruct conferees with a fail-safe, with a trapdoor that allows us to keep the momentum of reform building and allows them to make their political points. That is what they are allowed to do, is to come to the floor and make their political points. But thank goodness we still have a process that says we have got to move forward.

This is an unsustainable growth rate, that every year the program grows and grows and grows. There are no cuts.

Are there savings that we suggest? Yes. That was true in welfare reform. It is true as we look at Medicaid. And we need to look for the savings, because without reform the program not only will bankrupt itself, but more important than all of the talk about numbers and budgets and all of those things, it will begin to hurt people who truly are the most vulnerable that this program endeavors to assist.

So the commission approach that the gentlewoman from New Mexico (Mrs. WILSON) has put forward is a good idea. She has many cosponsors. That is not something that the budget itself can accomplish. But, certainly, we endorse that kind of an approach to look for ways to bring all interested parties together to find reform.

And I hope that instead of just putting out your faxes, which you will do, and make out your political statements, that is fine. We understand

that. But you will also, after all of the dust settles, come forward with your ideas the way Democratic Governors and Republican Governors have done, so that we can begin to resolve this issue and not just have rhetoric. We need results, not just the rhetoric of today. And that is what this budget accomplishes.

Madam Speaker, I reserve the balance of my time.

Ms. HERSETH. I would inquire as to the balance of our time remaining, Madam Speaker.

The SPEAKER pro tempore (Mrs. BIGGERT). The gentlewoman from South Dakota has 15 minutes and the gentleman from Iowa has 4½ minutes.

Ms. HERSETH. Madam Speaker, I yield 2 minutes to the gentleman from California (Mr. STARK), ranking member of the Health Subcommittee of the Committee on Ways and Means.

(Mr. STARK asked and was given permission to revise and extend his remarks.)

Mr. STARK. Madam Speaker, I guess I would be willing to suggest that the Medicaid programs are perfect, but for one major problem, and that would be the Republican Party in the Congress of the United States. What changes would I make? I would enforce the ethics rules to keep their hands out of the pockets of the lobbyists for the pharmaceutical industry who fly them about in jets and give them hundreds of millions of dollars in campaign contributions, which keeps them from allowing reimportation of drugs which would save many of the Governors a good bit of money on their Medicaid programs.

Changing the ethics rules that let people who might make unethical moves would be another great move, so it would prevent the managed care industry from getting extra money in the Medicare bill which would prevent the Republicans having the money to help Medicaid.

□ 1830

The Medicaid growth is due largely to the lousy job the President has done in job growth, the worst job since Herbert Hoover and the last Republican who had low job growth which increases the demand on Medicaid and the number of poor children and low-income workers who are forced to get their medical care through Medicaid because they are out of work through no fault of their own.

So if we would have decent ethics rules, if we would allow reimportation of drugs, if we would stop allowing the lobbyists to buy votes, we would be able to get the kinds of reform that are needed. The money is currently available in the excesses we are paying to the pharmaceutical industry and the excesses we are paying to the managed care industry which the chair of the Committee on the Budget understands very well, and that is the reform that is needed.

Change Congress. Make the Republicans behave in an ethical manner,

and you will have the money for Medicaid.

As Hubert Humphrey once said, "The moral test of Government is how that Government treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly; and those who are in the shadows of life, the sick, the needy and the handicapped."

With all due respect for many of my colleagues, none of us could more eloquently make the case for Medicaid, which takes care of those in the dawn, twilight and shadows of life.

Yet the budget we are going to consider this week fails the moral test of government by requiring savings that will result in deep cuts in Medicaid and other programs that serve low-income, vulnerable populations.

A budget is a statement of priorities. Once again, we are faced with a Republican budget that put tax breaks for the rich and payola to corporate interests, ahead of basic government obligations.

Just as when we debated the Medicare bill in 2003, it appears we will be asked to vote on entitlement policy without adequate information as to its effect. We do not know, for example, how the cuts will be distributed across states and populations. How many people will lose coverage? How many states will be forced to raise taxes—and by how much.

To make up for the shortfall in funding and increased need?

The saddest part of this debate is that Republicans don't need to target Medicaid. We can raise more than the amount Republicans expect to extract from Medicaid and income security programs simply by eliminating the overpayments currently paid to Medicare HMOs.

We pay these plans more than we would for care provided through traditional Medicare. That's wrong!

In fact, MedPAC—the non-partisan Congressional advisory commission—has recommended that Congress enact changes that would result in "payment neutrality." Doing so would result in savings of more than \$21 billion over 5 years—more than enough to offset this budget's proposed Medicaid cuts.

Sadly, I doubt Republicans will go after this low-hanging fruit. It would evoke howls of protest from their contributors. Consider this budget a word of warning to individuals in the dawn, twilight and shadows of life.

Those who run on a moral values platform should consider that when they cast their votes on the budget this week.

Vote for the Spratt Motion to Instruct, and against the Resolution itself later this week.

Ms. HERSETH. Madam Speaker, I yield 2 minutes to the gentlewoman from California (Mrs. CAPPs).

Mrs. CAPPs. Madam Speaker, I rise in support of the Herseth motion to instruct conferees.

The House-passed budget cuts, \$20 billion for Medicaid. It denies States, health care providers, and low-income working families \$20 billion for health care services they vitally need. While closing loopholes and fighting waste, fraud, and abuse is important, there is no way it is going to save near that amount. As our colleague from South Dakota has forcefully stated, a clear

majority of the Congress opposes these cuts, and for good reason.

Medicaid provides health care to 52 million low-income children, pregnant women, parents and the elderly. It is a critical source of acute and long-term care for 13 million elderly and disabled. These are the people who would be affected by cutting billions out of Medicaid. Since the President took office, the number of uninsured has increased by 5.2 million. Medicaid enrollment grew by 6 million over the same period, covering many people who would otherwise have been uninsured. Even so, Medicaid costs have grown about half as fast as private health care insurance premiums.

Between 2000 and 2003, Medicaid per capita spending went up by 6.9 percent, while private insurance premiums went up almost twice that amount, 12.6 percent. And the growth in costs we have seen as a result of the skyrocketing health costs this President has allowed, not Medicaid itself.

If these cuts in Medicaid are made, the ranks of the uninsured are surely going to increase even more, weakening our economy, and health care would be more expensive because of fewer regular check-ups and preventative measures and a rise of emergency room procedures. That is why the National Governors Association opposes these cuts. It is why faith-based organizations across the board oppose these cuts. Organizations like the March of Dimes, the National Association of Children's Hospitals, the American Academy of Pediatrics and the AARP all oppose these cuts. That is why a majority of the Congress opposes these cuts.

I urge my colleagues to vote for this motion. Tell the conferees to remove Medicaid cuts from this budget.

Mr. NUSSLE. Madam Speaker, who has the right to close?

The SPEAKER pro tempore (Mrs. BIGGERT). The proponent has the right to close.

Mr. NUSSLE. Madam Speaker, I am the final speaker so I will reserve the balance of my time.

Ms. HERSETH. Madam Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. STUPAK).

Mr. STUPAK. Mr. Speaker, I urge my colleagues to support the Herseth motion to instruct; and I thank the gentlewoman for her leadership as we stand with seniors, with disabled Americans, with working families, and with children as we unite against these Medicaid cuts.

This Medicaid program is working but it is woefully underfunded by the Republican-controlled majority in this Congress. Medicaid accounts for 25 percent of Michigan's budget. With an aging population and a weak economy where manufacturing jobs are being shipped abroad, we can ill afford to cut this safety net out from under our most needy citizens.

This House resolution would require between 15 and \$20 billion in cuts in

Medicaid over 5 years. How can we ask between 1.8 to 2.5 million seniors, children, and low-income, hardworking families to sacrifice so there can be another \$106 billion in tax cuts?

We have a responsibility to look at ways to modernize Medicaid, to help our States and provide better health care, but it is heartless to subject our most vulnerable citizens to the meat-axe approach of this budget.

This motion to instruct conferees asks to reject the Medicaid cuts and calls for a bipartisan, independent Medicaid commission to address the concerns.

Michigan's Medicaid program has grown 30 percent in 4 years, serving roughly 1.4 million citizens or 1 out of every 7 Michiganders. Who are these citizens? In 2004 Michigan Medicaid paid for about 70 percent of all the nursing home care in our State, 40 percent of all the births in our State; 27 percent of the adults on Medicaid have a job and are working. The State is meeting the growth in beneficiaries while holding down spending to approximately 1.5 percent.

It is time to stand up for their most vulnerable citizens and against these Medicaid cuts. It is the right thing to do. It is the moral thing to do. Vote for the motion to instruct.

Ms. HERSETH. Madam Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Madam Speaker, 44 Members on the Republican side defied their party, not because some deep-pocketed lobbyist asked them to, but because fighting for people in desperate need was and is the right thing to do.

Medicaid health and long-term coverage is already limited to the impoverished elderly in nursing homes, the lowest-income children, and other vulnerable populations. My friend, the gentleman from Iowa (Mr. NUSSLE) expressed shock that Medicaid costs have actually grown. I think he must know that private insurance growth in this country is greater than 12 percent, Medicare costs are going up around 7 or 8 percent. Medicaid costs are going up only about 6 percent, half the pace of private insurance. There is no cost-effective alternative to Medicaid. Medicaid is the cost-effective alternative.

Medicaid cuts would not only jeopardize 5 million elderly Americans who would lack access to nursing home care without it, these cuts would place every nursing home resident, on Medicaid or not, in this country at risk. Each year nursing homes serve 2.5 million Americans. Medicaid covers 70 percent of these Americans.

The very health and safety of nursing home residents hinges on adequate Medicaid reimbursement. As it stands, Medicaid funding is insufficient to cover both those Americans who need nursing home services and those who need home and community-based care.

If the Federal Government makes further cuts in Medicaid, we must take responsibility in abandoning people who have no where else to turn.

Two-thirds of people in nursing homes have no living spouse or relative. The fact is we, the Medicaid program, the Federal Government, are all the family who cares for them that they have.

I hope that before any Member of this body votes against this motion, you might just imagine trading places with an elderly American in a nursing home. Put yourself in their shoes; then decide whether starving Medicaid is responsible for reprehensible.

Ms. HERSETH. Madam Speaker, I yield 3½ minutes to the gentleman from South Carolina (Mr. SPRATT).

(Mr. SPRATT asked and was given permission to revise and extend his remarks.)

Mr. SPRATT. Madam Speaker, I thank the gentlewoman for yielding me time.

Madam Speaker, the House and the Senate passed their own versions of budget resolutions on March 17. That was more than a month ago. I am glad that we finally are going to conference because that will bring the deliberations on the budget at least a bit out into the open. And if there is any aspect of the budget resolution that needs to be brought into the open and resolved with a public debate, all the stakeholders included, it is this provision that we have been discussing, and that is a provision that would cut Medicaid, over 5 years, by \$20 billion.

This motion to instruct conferees protects Medicaid from those spending cuts. Let me explain how those spending cuts would come about. The House-passed Republican budget resolution directs the Committee on Energy and Commerce to cut spending on programming within its jurisdiction by \$20 billion. But the Republican leadership has made it clear. The resolution calls for \$20 billion in cuts within the jurisdiction of the Committee on Energy and Commerce, but the Republican leadership has made it clear that those cuts should not include Medicare. That only leaves Medicaid.

It leaves Medicaid subject to \$20 billion in cuts over 5 years, per the language of the resolution passed by the House.

On our side of the aisle, all Democrats oppose unanimously the House budget resolution which included the Medicaid cut. Now, 44 Republicans have signed a letter urging that the Medicaid cut be dropped in the conference report. As a result, it appears that a majority of the House Members are on record against the Medicaid cuts. Medicaid cuts, therefore, should not be included if the conference report is to reflect the will of the majority in the conference report.

In the other body, the Senate, a majority also opposed the Medicaid cuts,

with 52 Senators, including every Democrat and 7 Republicans, voting to strike the Medicaid cuts from the Senate budget resolution and, instead, to set up a bipartisan commission.

So the purpose of this motion is to formalize the fact that both houses, a majority in both houses, are formally on record as opposed to the cut in Medicaid of \$20 billion. And this motion simply instructs the conferees, it does not suggest, it does not tell them to consider, it instructs the conferees to follow the Senate's lead and strike the reconciliation instructions that target Medicaid for funding cuts and, instead, put up \$1.5 million so we can have a fair bipartisan Medicaid commission to make these decisions.

I am glad that the chairman of the Committee on the Budget, the gentleman from Iowa (Mr. NUSSLE), has said that he will recommend to his members to vote for this resolution. I am disturbed to hear him emphasize that it is nonbinding.

Given the fact that the majority in both houses support the dropping of this \$20 billion cut in Medicaid, I think this should be, as the gentleman from Maryland (Mr. HOYER) put it, a moral mandate for the conferees. If it will bring back a conference report that reflects the will of the House, it should not include \$20 million in cuts in the Medicaid program.

Ms. HERSETH. Madam Speaker, I yield 2 minutes to the gentleman from Texas (Mr. GENE GREEN).

(Mr. GENE GREEN of Texas asked and was given permission to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Madam Speaker, I would like to read a part of a letter from the National Governors Association to both the Speaker and the Democratic leader and Senator FRIST and Senator REID.

It says, "Reform, however, should not be part of a 2006 fiscal year budget reduction and reconciliation process, especially if it does nothing more than shift additional costs to the States."

We have a problem with health care costs in our country. Medicaid is one part of it. Medicare costs and private insurance and private health care is actually rising higher faster than Medicaid. Yet what we are doing with this budget resolution is actually penalizing senior citizens, and particularly children, because so much of our children's hospitals, so much of their funding comes from Medicaid because they deal with children totally.

I know in Houston, the Texas Medical Center, we have the Texas Children's Hospital, over 50 percent of their funding comes from Medicaid because they take care of children. We have to deal with health care costs, but let us not balance it on the backs of our children and our senior citizens.

NATIONAL GOVERNORS ASSOCIATION,
December 22, 2004.

Hon. BILL FRIST,
Majority Leader, U.S. Senate,
Washington, DC.

Hon. HARRY REID,
Minority Leader-elect, U.S. Senate,
Washington, DC.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

Hon. NANCY PELOSI,
Minority Leader, House of Representatives,
Washington, DC.

DEAR SENATOR FRIST, SENATOR REID, SPEAKER HASTERT, AND REPRESENTATIVE PELOSI: The Nation's Governors look forward to working closely with the Administration and Congress to reform Medicaid. Reforming the Medicaid system is the highest priority for the Governors, and will result in cost savings and efficiencies for both the federal and state governments. Reform, however, should not be part of a 2006 fiscal year budget reduction and reconciliation process, especially if it does nothing more than shift additional costs to states.

Governors are committed to administering the Medicaid program in a very cost-effective way, and as equal partners in the program have a tremendous incentive to continue doing so. This is reflected in the fact that the annual growth in Medicaid per capita spending has not exceeded approximately 4.5 percent per year, substantially below the growth rate of private health insurance premiums, which have averaged 12.5 percent per year for the last three years. Total Medicaid costs, however, are growing at a rate of 12 percent per year and now total Medicaid expenditures exceed that of Medicare primarily due to two major factors that are largely beyond the control of states. First, states, over the last four years, have experienced large case load increases of approximately 33 percent. Second, and far more costly to states, are the impacts of long-term care and of the dual eligible population. Medicaid currently accounts for 50 percent of all long-term care dollars and finances the care for 70 percent of all people in nursing homes. Furthermore, 42 percent of all Medicaid expenditures are spent on Medicare beneficiaries, despite the fact that they comprise a small percentage of the Medicaid caseload and are already fully insured by the Medicare program. Benefits for the dual eligible population should be 100 percent financed by Medicare.

We agree that maintaining the status quo in Medicaid is not acceptable. However, it is equally unacceptable in any deficit reduction strategy to simply shift federal costs to states, as Medicaid continues to impose severe strains on state budgets. Our most recent survey of states shows Medicaid now averages 22 percent of state budgets. This commitment has caused a strain on funding for other crucial state responsibilities. These funding challenges will become more acute as states absorb new costs to help implement the Medicare Modernization Act for the millions of dual eligible beneficiaries.

We look forward to working with you on Medicaid reform.

Sincerely,

GOVERNOR MARK R.
WARNER,
Chairman.

GOVERNOR MIKE HUCKABEE,
Vice Chairman.

Ms. HERSETH. Madam Speaker, I reserve the balance of my time.

Mr. NUSSLE. Madam Speaker, I yield myself the balance of my time.

Madam Speaker, those who actually administer the Medicaid program, our State Governors, have clearly told us

in a bipartisan way that Medicaid must be reformed.

Wake up.

For those of you who are about to vote on this motion, this is a good motion. What it does is it says it is time to reform the program. It is time to consider the proposals that the Governors have put forth in a bipartisan way. They have clearly told us that their hands have been tied.

□ 1845

Their hands have been tied, Madam Speaker, by a program that is inefficient. It is ridiculously out of date, a health care delivery system that has not and will not under its current structure deal with the demands of the 21st century.

There is not one Governor that is suggesting do nothing. There is not one Member on the Republican side of the aisle that is suggesting do nothing. The 44 Members who signed the letter saying we are concerned about the future of Medicaid, they are not saying do nothing.

Everyone who is interested in the reform of this program understands that the budget this year gives us a schedule and an opportunity to finally get our arms around the Medicaid program.

I understand that there are going to be all sorts of political press releases put out about gouging and cutting and all sorts of things like that; but if anyone is interested in the actual technical language of the budget, they will discover that every single year the program under the House budget grows, every year.

What we are suggesting is that, with reform, it does not have to grow as much. Instead of growing at 7.5 percent, it can grow at a level a little lower, maybe 7.3 percent or 7.4 percent. Every year it should still grow because there are vulnerable people, there are senior citizens, there are people with disabilities who rely on this program. Our States rely on this program. We rely on this program in order to meet the needs of many people in this country who cannot help themselves.

Do not let anybody fool my colleagues. No one came to the floor today in support of this motion and said the program's perfect; the Governors are wrong; we do not like what they came up with; we do not think we should reform the program.

In fact, let us look at the reforms they have come up with. They have said let us restructure the pharmacy reimbursements to more closely align with the Medicaid pharmacy payments and pharmacy costs. That alone will save \$5 billion. Bipartisan support from the Governors. I dare say we could support that here today.

Second proposal, revising what is called "asset transfer." That will save the government \$1.4 billion. Bipartisan support by the Governors.

Please do not come to the floor or issue press releases today that says do

nothing. I understand my colleagues want to make a political point. That is fine. That is what motions to instruct conferees often do, but we are going to vote on a budget later on this week that says it is time to do something, it is time to reform the program, it is time to save a little bit of money and improve a program that is for our most deserved people, people who cannot help themselves. This is something we can do in a bipartisan way.

The same way Governors in a bipartisan way have come forward with their ideas, I would invite all Members to let their members of the Committee on Energy and Commerce know what their ideas are because we are going to go forward with reform. It is not going to actually cut any money. It is going to find savings. It is going to improve a program. It is going to reform it.

If the gentlewoman, who is the proponent of this motion, thinks the program is perfect, let her say so. If she thinks that we cannot find any savings, let her say so. If she thinks the Governors are wrong, let her say so. But no Member has come to the floor to say that yet today.

So that is why we should support this motion and move the budget forward to reform the Medicaid program and save some money as well.

Ms. HERSETH. Madam Speaker, I yield myself such time as I may consume.

I want to thank all of my colleagues who spoke in support of this motion to instruct conferees, including the gentleman from Iowa (Chairman NUSSLE) and his willingness to encourage his Republican colleagues to support this important motion.

In response to the closing of the gentleman from Iowa, I do not stand here today, nor do my colleagues, suggesting that we do nothing. I do not stand here today suggesting we cannot find savings. I do not stand here today suggesting that we cannot find a way, in a bipartisan manner, to reform Medicaid.

To the extent that there are press releases that go out to constituents who will be breathing a sigh of relief, from Governors to health care providers, to advocates of disabled citizens and the elderly and children, it will be that we found agreement in this body to supplement the important work of the Governors across this country to undertake real reform, to find those savings but not to let arbitrary cuts drive the reform; and that is exactly what the House budget resolution did. It is exactly what this motion to instruct conferees attempts to set right.

Those in my generation understand that we cannot do nothing, whether it comes to Social Security reform or Medicaid reform; but we also understand that the facts speak for themselves, that we have time to do this right, rather than to work so fast and to let arbitrary cuts of \$20 billion over 5 years drive the reform; that it should truly have a commission and the \$1.5

million today this motion to instruct would encourage to have set aside in the reserve fund to have a bipartisan commission undertake this important task of reform.

Mr. HOLT. Mr. Speaker, I voted against the FY2006 Concurrent Budget Resolution that was reported by the House Budget Committee and narrowly passed the House on a 218–214 vote last month. I did so for a variety of reasons.

First, President Bush and the majority party in this Congress want us to keep borrowing against our future and that of our children, and perhaps their children. The budget deficit for this year is a record \$427 billion. We added \$114 billion to the deficit in February, the first time it has ever gone over \$100 billion in one month. This is how we have added more to the national debt in the past four years than in the prior two centuries of our nation's history. Therefore, a vote in favor of this budget resolution is a vote for more "borrow and spend" policies that are responsible for our country's current fiscal plight.

Second, the House-passed budget plan shortchanges many Americans who are most deserving or in need of help, including our veterans, children, and elderly. At the same time, it slashes funding for many of our nation's important priorities—education, healthcare, AM-TRAK and alternative transportation and energy initiatives, homeland security, environmental protection, job training, research and development, and small business innovation.

Let me cite a few glaring examples.

The House-passed budget cuts veterans' health care by \$14 billion below what is currently needed over the next five years. These cuts can only be achieved by imposing new fees for veterans's healthcare, or by reducing veterans' benefits such as disability pay, pension benefits, or education benefits.

It actually cuts funding for education programs by \$2.5 billion for next fiscal year relative to Fiscal Year 2005, and \$38 billion over the next five years below what is needed to maintain the status quo. It actually matches the budget President Bush sent to Congress last month, which called for the elimination of 48 education programs worth \$4.3 billion. These cuts will include \$1.3 billion less for vocational education, as well as less funding for elementary, secondary, and college aid programs.

It also fails to protect and strengthen Social Security. It calls for spending every penny of the Social Security Trust Fund surplus to continue to help finance record deficits and continued tax breaks for the wealthiest Americans. Unlike the alternative budget plan I voted for, the House-passed budget plan contains no budget enforcement mechanisms to protect the current surplus Social Security Trust Fund. Instead, President Bush and the supporters of this budget resolution advocate a Social Security privatization scheme that would weaken Social Security upon which so many elderly and disabled Americans depend just to make ends meet. In fact, there is not one cent in the House-passed budget plan to meet any of the \$754 billion price tag needed between now and 2015 to create private accounts.

Third, the House-passed budget resolution is incomplete and misleading. It does not address the ongoing costs of the U.S. military occupation of Iraq and the war on terrorism.

Then, the budget also invokes an assumption that economic growth will reduce deficits. In fact, it fails to show any deficit figures at all after 2010. Budgets should not be based on wishful thinking.

How is that we confront both increased deficits and serious program cuts in the same budget? Because the majority party in this Congress continues to push tax cuts for those who need them the least. The results are growing inequity in American society and mounting anxiety in financial markets.

I believe this Congress can and should make better choices and adopt a much more balanced and fiscally responsible alternative budget plan—one that more closely reflects the values of most Americans, the sacrifices of our men and women in uniform, and the aspirations of our children. That is why I voted for the alternative budget plan offered by my colleague, U.S. Representative JOHN SPRATT of South Carolina. Had it been adopted, it would have insisted upon more fiscal discipline with budgets that pay as you go this year and beyond. It would have offered more help and hope for all Americans to achieve greater financial security. That means investing more in the American people and in deserving programs to help create good-paying jobs, improve education, lower healthcare costs, make college more affordable, grow small businesses, keep faith with our veterans and military families, protect our homeland, and promote environmental sustainability.

In so doing, we could build upon what has worked in the past when our economy was growing by leaps and bounds and creating millions of new jobs, as recently as the 1990s. We could abandon the fraud of supply-side economics, once and for all, step up, and reassert control over shaping our preferred economic future—one that offers more good jobs, a higher standard of living, and real economic opportunity for all of the American people. Sadly, this budget resolution takes us farther down the wrong track.

If we want to strengthen our economy again, in the future, if we want to create new, good-paying jobs for all of our people, and promote broad-based, sustainable economic development, then I believe we must become more creative and provide more support from the public and private sector for cutting-edge research and development. We have to stop borrowing and spending. We have to stop eating our seed corn. We have to provide increased and more sustained support from the public and private sectors for basic research and development.

Up to now, America has always been a nation of explorers, creators, and inventors. We need to regain that edge and ride a new wave of research and follow-on commercial development into a new age of economic growth and prosperity. But the budget resolution approval in the House last week does none of this. The supporters of the Republican budget plan don't want to keep faith and invest in the American people, increase federal support for research, development, and entrepreneurial drive, and rebuild American competitiveness in the global economy. If they did, they could not in good conscience have voted for the skewed priorities of the recently-approved budget resolution and the Draconian, counterproductive cuts it will dictate.

Ms. HERSETH. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentlewoman from South Dakota (Ms. HERSETH).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. HERSETH. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings are postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on questions previously postponed.

Votes will be taken in the following order: motion to instruct on H.R. 1268, de novo; motion to instruct on H. Con. Res. 95, by the yeas and nays.

Any electronic votes will be conducted as 15-minute votes.

MOTION TO INSTRUCT CONFEREES ON H.R. 1268, EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT FOR DEFENSE, THE GLOBAL WAR ON TERROR, AND TSUNAMI RELIEF, 2005

The SPEAKER pro tempore. The pending business is the question on the motion to instruct conferees on H.R. 1268.

The Clerk will designate the motion.

The Clerk designated the motion.

The SPEAKER pro tempore. The question is on the motion to instruct conferees offered by the gentleman from Wisconsin (Mr. OBEY).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SABO. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 417, nays 4, not voting 13, as follows:

[Roll No. 133]

YEAS—417

Abercrombie	Berkley	Boustany
Ackerman	Berman	Boyd
Aderholt	Berry	Bradley (NH)
Akin	Biggert	Brady (PA)
Alexander	Bilirakis	Brown (OH)
Allen	Bishop (GA)	Brown (SC)
Andrews	Bishop (NY)	Brown-Waite,
Baca	Bishop (UT)	Ginny
Bachus	Blackburn	Burgess
Baird	Blumenauer	Burton (IN)
Baker	Blunt	Butterfield
Baldwin	Boehert	Buyer
Barrett (SC)	Boehner	Calvert
Barrow	Bonilla	Camp
Bartlett (MD)	Bonner	Cannon
Barton (TX)	Bono	Cantor
Bass	Boozman	Capito
Bean	Boren	Capps
Beauprez	Boswell	Capuano
Becerra	Boucher	Cardin