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## PENCE ANNOUNCES OPPOSITION TO PRESCRIPTION DRUG BILL ON THE HOUSE FLOOR

**Washington, Nov 18, 2003** - Washington, D.C.— Congressman Mike Pence (R-IN), gave the following speech on the floor of the U.S. House today announcing his opposition to the prescription drug bill. Pence was the first Republican member of the U.S. House to speak on the House floor this week in opposition to the agreement reached in conference committee.

“Despite the very best efforts of House Republican leadership I rise to oppose the prescription drug bill that will be considered before Congress this week. It would in fact represent the largest expansion of Medicare in 35 years.

“As Nancy-Ann DeParle, President Clinton's Medicare administrator, said, this would be ‘the biggest expansion of government health benefits since the Great Society.’ With an annual federal deficit of more than \$400 billion, I will support the creation of a national prescription drug plan only if it's fiscally responsible and includes free market Medicare reform measures.

“Only by significantly reforming Medicare along the lines the President originally intended can we afford to meet future obligations, including a prescription drug benefit.

“Of course, there are seniors near the poverty level who need immediate help with the cost of prescription drugs. As I have witnessed in more than 100 town hall meetings across eastern Indiana, the necessity of some prescription assistance for seniors near the poverty level is beyond dispute.

“Statistics show that nearly 24 percent of seniors have no prescription drug coverage and approximately 5 percent of seniors have out-of-pocket prescription costs of more than \$4,000 per year. For these seniors, our national government should respond with a drug discount card or some form of means-tested direct subsidy. I have and will continue to support efforts at the national level to focus prescription assistance on seniors struggling near the poverty level.

“Sadly, the prescription drug plan currently being advanced in the House and Senate lacks such focus and actually would create a universal drug benefit that provides a government entitlement

for every American over the age of 65, a population of some 37 million today that will grow to 70 million by the year 2030.

“While the need for some type of benefit is real, the need for a universal benefit is not. At present, 76 percent of seniors have some form of prescription drug coverage, and the average senior spends less than \$999 per year in out-of-pocket expenses on medications.

“Not only is the need for a universal public subsidy questionable, adding a universal drug benefit to Medicare may have certain unintended consequences. Namely, seniors with private coverage from a former employer may actually lose their coverage. The Congressional Budget Office recently estimated that thousands of seniors could lose coverage they currently enjoy from a former employer if Congress creates this new entitlement.

“The final, and most ominous, consequence of a universal drug benefit could be that it will usher in the beginning of socialized medicine in America. This type of system, which is built on unrealistic fiscal projections and incorrect assumptions about human behavior, will invariably lead to the kinds of escalating costs for which price controls and outright government management will be seen as the last resort. The consequences of such a government expansion are moral as well. In a society that sanctions the abortion of unborn human life and is increasingly open to euthanasia and physician-assisted suicide, our values and our freedoms would argue against turning the health of the American people over to the federal government.

“Compassionate conservatism is about focusing solutions at the point of the need. Let's help our seniors near the poverty level with urgent and sufficient prescription coverage. Let's reform Medicare so it will be there for the future without placing an undue burden on our children and grandchildren. And let's otherwise ‘do no harm’ to the private sector foundation of the greatest healthcare system in the history of the world.

“For all these reasons, I oppose a universal drug benefit in Medicare. By agreeing to a prescription benefit for all seniors rather than those in need, Congress threatens our nation's fiscal stability, the private prescription plans millions of seniors and the survival of our free market healthcare system.”

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