BUDGET RESOLUTION/Medicare Fraud Savings and Medicare Trust Fund

SUBJECT: **Senate Concurrent Budget Resolution for fiscal years 1997-2002 . . . S. Con. Res. 57. Exon motion to waive the Budget Act for the consideration of the Graham amendment No. 4007.**

ACTION: MOTION REJECTED, 44-56

SYNOPSIS: As reported, S. Con. Res. 57, the Concurrent Budget Resolution for fiscal years 1997-2002, will balance the Federal budget in fiscal year (FY) 2002 by slowing the overall rate of growth in spending over the next 6 years to below the rate of growth in revenue collections. The rate of growth in entitlements such as Medicare, Medicaid, the Aid to Families with Dependent Children program, and the Earned Income Credit will be slowed. No changes will be made to the Social Security program, the spending for which will grow from $348 billion in FY 1996 to $467 billion in FY 2002. Defense spending will be essentially frozen at its present level.

The Graham amendment would create a new point of order in the Senate against considering any reconciliation bill, conference report on a reconciliation bill, or any other legislation that would use savings achieved from Medicare waste, fraud, and abuse enforcement activities for purposes other than improving the solvency of the Medicare Federal Hospital Insurance Trust Fund (Part A of Medicare). This point of order could be waived by a three-fifths majority vote.

Following debate, Senator Domenici raised the point of order that the amendment violated section 305(b)(2) of the Budget Act. Senator Exon them moved to waive the Budget Act for the consideration of the Graham amendment. Generally, those favoring the motion to waive favored the amendment; those opposing the motion to waive opposed the amendment.

Those favoring the motion to waive contended:

In the budget debates of the last 2 years many proposals have been made that we believe would be very damaging to Medicare. In our opinion, many of those proposals were only made as a means of raising money to balance the budget. Some proposals, though, have been meritorious, and none more so than the proposals to reduce waste, fraud, and abuse in the program. Most estimates are

(See other side)

YEAS (44)		NAYS (56)			NOT VOTING (0)	
Republicans (0 or 0%)	**Democrats (44 or 94%)**	**Republicans (53 or 100%)**		**Democrats (3 or 6%)**	**Republicans (0)**	**Democrats (0)**
	Akaka	Abraham	Helms	Byrd		
	Baucus	Ashcroft	Hutchison	Feingold		
	Biden	Bennett	Inhofe	Heflin		
	Bingaman	Bond	Jeffords			
	Boxer	Brown	Kassebaum			
	Bradley	Burns	Kempthorne			
	Breaux	Campbell	Kyl			
	Bryan	Chafee	Lott			
	Bumpers	Coats	Lugar			
	Conrad	Cochran	Mack			
	Daschle	Cohen	McCain			
	Dodd	Coverdell	McConnell			
	Dorgan	Craig	Murkowski			
	Exon	D'Amato	Nickles			
	Feinstein	DeWine	Pressler			
	Ford	Dole	Roth			
	Glenn	Domenici	Santorum			
	Graham	Faircloth	Shelby			
	Harkin	Frist	Simpson			
	Hollings	Gorton	Smith			
	Inouye	Gramm	Snowe			
	Johnston	Grams	Specter			
	Kennedy	Grassley	Stevens			
	Kerrey	Gregg	Thomas			
	Kerry	Hatch	Thompson			
	Kohl	Hatfield	Thurmond			
	Lautenberg		Warner			
	Leahy					
	Levin					
	Lieberman					
	Mikulski					
	Moseley-Braun					
	Moynihan					
	Murray					
	Nunn					
	Pell					
	Pryor					
	Reid					
	Robb					
	Rockefeller					
	Sarbanes					
	Simon					
	Wellstone					
	Wyden					

EXPLANATION OF ABSENCE:
1—Official Buisiness
2—Necessarily Absent
3—Illness
4—Other

SYMBOLS:
AY—Announced Yea
AN—Announced Nay
PY—Paired Yea
PN—Paired Nay

that 10 percent of all Medicare spending is lost to waste, fraud, and abuse. Clearly this percentage is much too high. Significant savings can and should be achieved.

Any savings that are achieved should be used to improve the solvency of the Medicare trust fund. All of the money that is in the trust fund came from program participants, and any money that is recovered should naturally go right back to the program. The Graham amendment would ensure that money recovered from anti-fraud efforts would go directly back into the trust fund instead of being spent or used to reduce the deficit.

Our colleagues have raised a point of order against this amendment, claiming that it is nongermane. If they are correct, then two points of order already in this budget resolution that contain similar language must also be nongermane, and other points of order in prior year budget resolutions must have been nongermane. Those points of order were allowed to pass without being challenged. This point of order should be allowed to pass as well. We therefore urge our colleagues to join us in waiving the Budget Act for the consideration of the Graham amendment.

Those opposing the motion to waive contended:

The Graham amendment descends to a level of detail that is beyond the proper scope of a budget resolution to decide. This matter is totally outside the jurisdiction of the Budget Committee. A budget resolution should not attempt to dictate how particular savings from a particular entitlement program must be treated on a reconciliation bill. We are not in any way providing discriminatory treatment to the Graham amendment--it simply is not appropriate to make this type of decision on a budget resolution, regardless of the issues involved. Therefore, we oppose the motion to waive the Budget Act.