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TELEVISION PROGRAM TO "CBS NEWS' FACE THE NATION."



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TRANSCRIPT

BOB SCHIEFFER: Today on FACE THE NATION, the weather outside is frightful but Democrats found yesterday delightful, as they claimed victory in the debate on health care reform.

But as they claimed, the sixty votes needed to pass health care reform in the Senate, Democrats called it a historic moment for America.

Republicans said it was worse than the weather.

SENATOR MITCH MCCONNELL: This bill is a legislative train wreck.

BOB SCHIEFFER: We'll go through what's actually in the proposal and get all sides from Republican Senators Olympia Snowe and Lamar Alexander and Democratic Senators Mary Landrieu and Sherrod Brown.

Then I'll have a final thought on Washington's big snow job.

But first, health care reform--a real cure or just bitter medicine, on FACE THE NATION.

ANNOUNCER: FACE THE NATION with CBS News chief Washington correspondent Bob Schieffer. And now from Washington, Bob Schieffer.

BOB SCHIEFFER: And good morning again from snow-bound Washington where we got nearly two feet of snow yesterday, as the Senate Democratic leaders were claiming that they finally had the vote of Senator Ben Nelson of Nebraska and that gave them the sixty votes they need to pass health care reform in the Senate.

Final vote now scheduled to come at 7 PM on Christmas Eve. The bill is massive, more than two thousand pages. Basically, it extends insurance coverage to thirty-one million Americans who are not now covered. It creates nonprofit insurance exchanges where people can purchase insurance and it does not include the so-called public option that is a government-run plan similar to Medicare. The cost: an estimated eight hundred seventy-one billion dollars over the next decade. This bill also tightens restrictions on funding for abortion. It has many other provisions, including barring insurance companies from denying coverage to people with pre-existing conditions. It will be paid for by new taxes on employers who provide health care by various fees on medical services and procedures, and taxes on some high-cost plans themselves.

All our guests are in the studio with us this morning. We begin with Republican Senator, and appropriately enough, Senator Olympia Snowe who is with us this morning.

She was believed to be the most likely Republican to vote for this bill. In the end, Senator, you decided not to vote for it. Thank you for joining us this morning.

SENATOR OLYMPIA SNOWE (R-Maine/Finance Committee): I appreciate it.

BOB SCHIEFFER: Why in the end did you decide you couldn't do it?

SENATOR OLYMPIA SNOWE: Well, Bob, at this point anyways, I deeply regret that because I-- frankly, I've been fully immersed in this process for a better part of the year, both my staff and myself, because I'm committed to health care reform. I believe that the current situation is unacceptable and unconscionable when you think about rising health care costs. And that's why as the only Republican on the Finance Committee I voted for legislation. I did have some problems with that particularly legislation but I said at that time the credibility of the process going forward would determine the credibility of the outcome.

So here we are today with a bill that's dramatically different, more expansive than the Finance Committee. In fact, it's twelve hundred pages more than the Finance Committee legislation. It was placed on the floor just short of three weeks ago. Four hundred amendments and only two dozen have been considered voted upon.

And four hundred members are not unusual since each of the committees that considered the legislation have had more than five hundred amendments. Then, um, less than twenty-four hours yesterday we get a four-hundred-page amendment that was filed by the Senate majority leader. We are scheduled to vote on that major amendment fifteen hours from now, one o'clock in the mo-- morning, with no opportunity to amend it.

All to get done, the entire bill, with no opportunity to amend it to change it by Christmas, so that we can adjourn for a three-week recess for a bill that doesn't become implemented until 2014.

BOB SCHIEFFER: Well, what was the tipping point for you? What was it that happened that made you say I just can't do it?

SENATOR OLYMPIA SNOWE: Well, I sorted through a number of issues. I have been in countless meetings, um, every-- meetings and telephone calls, meetings with the President, meetings with the majority leader, and a number of people across-- across the aisle without question. The problem is the bill became bigger. A-- the-- it-- it has the CLASS Act which is a whole new entitlement that, frankly, will-- will-- be-- turn in the red five years after the benefits begin.

BOB SCHIEFFER: Now, what is that?

SENATOR OLYMPIA SNOWE: It's a-- it's for a long-term care insurance and it's a whole new entitlement. In fact, half of those revenues that will be set aside for a-- a vesting period will be used to calculate the deficit reduction over the next ten years. That's where they derive half of their deficit reduction. Then you have a whole new layer of taxes, the Medicare payroll tax and we have good tax subsidies and I applaud Senator Landrieu, that you'll be hearing from in a moment, on those tax subsidies for small businesses.

But on the other hand you have a one-percent Medicare payroll tax on small businesses affecting them disproportionately at a time we're depending on them to create jobs to lead us out of this recession. It-- it's not indexed for inflation. It's a sixty-two percent increase.

So, this will be devastating for small business as well. I have submitted a CBO letter a-- on December 3rd with substantial questions on what is the premium cost for every American who'll be participating in the exchange, what-- what can they expect. As they're sitting around their kitchen table, they expect certain answers to certain questions. We don't have those answers to those questions. And that's why I indicated to hold off. I said to the president and I said to the Senate majority leader and others, please, give us the time; come back after the new year; get

together. This is a generational issue that has substantial effects with-- in fact, I would say sweeping effects--

BOB SCHIEFFER: Mm-Hm.

SENATOR OLYMPIA SNOWE: --because you're coun-- recalculating one-sixth of our economy.

BOB SCHIEFFER: All right.

SENATOR OLYMPIA SNOWE: And, frankly, we're treating it as if it's the legislative appropriations at the end of the year. It's like the last train leaving the station; we're going to dump everything in there.

BOB SCHIEFFER: Let me ask you this. It's my understanding that, even after Leader Reid announced that he had the sixtieth vote, the sixty votes he needs, you s-- met again with President Obama. What was-- what was that about?

SENATOR OLYMPIA SNOWE: Correct. The President, you know, and I have-- have worked together on this issue. And I applaud him for, you know, his knowledge, his grasp of the issue. It's his major and highest domestic initiative, on this issue, and he wants to get it done this year, and encouraging me to support the legislation.

And as I indicated to him, I'll continue to work through our House and Senate conference but the legislation that is pending, this process denies us the ability to thoroughly and carefully and deliberately evaluate what is at stake. I mean, we're talking about reordering thirty-three trillion dollars over the next ten years.

BOB SCHIEFFER (overlapping): Well, do you-- was the reason for this meeting was he asking you to vote for this thing when it comes out of conference? Is that what it was?

SENATOR OLYMPIA SNOWE: No, it was the pending legislation.

BOB SCHIEFFER: But you told him you couldn't?

SENATOR OLYMPIA SNOWE: That I had-- yes, that I had problems, because the process is denying me and others, for that matter, the opportunity to amend it, on a big bill.

Why Christmas? There's no-- there's no magic deadline. This "beat the clock" is really overruling--

BOB SCHIEFFER (overlapping): Let me ask you--

SENATOR OLYMPIA SNOWE: --legislative sanity.

BOB SCHIEFFER: --let me ask you about the abortion language in here. Senator Nelson insisted that the abortion language be tightened on what money could be spent on abortions in these insurance policies.

But now he's satisfied, but now the right-to-life folks, the antiabortion people say they're not satisfied with it. But the people who favor abortion say they're not satisfied with it, either. Are you--

(Senator Olympia Snowe Laughing)

BOB SCHIEFFER: --how do you feel about that part of it?

SENATOR OLYMPIA SNOWE: Well, I-- I helped to-- to work on the underlying legislation and the provision that basically, you know, embraced the sta-- you know, status quo, making sure that we're not using any federal funds to finance a-- abortion, using a-- a-- a precedent that already exists in domestic family planning programs and in the national family planning programs, as well as Medicaid.

I mean, the-- there're seventeen states that separate their funds. They're not commingled. That is a process that's worked time and again. And I think it's regrettable that it's reached this point with respect to this issue because, clearly, what is in the current legislation should have satisfied those concerns. It was every attempt to write it as it is in existing law that would not use any federal funds to finance abortion.

BOB SCHIEFFER: All right. Senator, so thank you very much--

SENATOR OLYMPIA SNOWE: Thanks.

BOB SCHIEFFER: --for coming in on a very snowy day here in Washington.

SENATOR OLYMPIA SNOWE: Thank you

BOB SCHIEFFER: We'll be right back.

SENATOR OLYMPIA SNOWE: Thank you, Bob.

(ANNOUNCEMENTS)

BOB SCHIEFFER: And we're back now with Democratic Senator Mary Landrieu from Louisiana, Ohio Senator Sherrod Brown, and Republican Lamar Alexander from Tennessee.

Well, you heard Senator Snowe. She was one of those, Senator Brown, who was very much-- almost really wanted to vote for something here and in the end just couldn't bring herself to do it. You were one of those who very much wanted a lot more than what's in this bill. In a sense, you wanted a public option. You said you're going to vote for it. But are you happy with it?

SENATOR SHERROD BROWN (D-Ohio/Health, Education, Labor and Pension Committee): I-- I'm-- I'm disappointed. I think it could be a better bill. But we're tak-- making major progress in this bill. I mean, first of all, for those people who have insurance in this country, right now you're paying more than a hundred dol-- you're paying a hundred dollars a month more than the thousand dollars a year of hidden tax for in-- for-- basically, for care for people who don't have insurance to go to emergency rooms and all that.

This bill has got good insurance reform. It says that no more preexisting condition. No more exclusions for that. No more discrimination. Women paying more for health insurance than men. It strengthens Medicare. It provides free screenings for Medicare, for-- for, um, every Medicare beneficiary. It lengthens the life expectancy of Medicare. And it gives tax breaks for small

business. And those start immediately, so small companies can begin to ensure their employees.

Most companies in-- in Cincinnati and Cleveland and Columbus that I talked to want to insure their employees. They simply can't afford it. If they have twenty employees; one of them gets-- gets cancer, it makes their premiums unaffordable. So this bill moves absolutely in the right direction.

BOB SCHIEFFER: Are you convinced this is going to-- people are going to pay less, that this is going to reduce costs?—

SENATOR SHERROD BROWN (overlapping): Well, I know--

BOB SCHIEFFER: Because I keep hearing people saying (LAUGHING) it's going to cost a lot more.

SENATOR SHERROD BROWN: Well, This-- this bill-- if-- if we do nothing, insurance premiums are going to double. You know, I-- I-- I'm amazed as I hear Republican after Republican take to the Senate floor and then-- and defend the insurance companies, practices worthy-- worthy of Ebenezer Scrooge. And the way they'd have it is that the insurance company-- insurance companies would cancel Tiny Tim for preexisting condition. I mean it's-- it's-- it's clearly not sustainable what we're doing now. We clearly need to go on a different path.

BOB SCHIEFFER: So Senator Alexander, as a Republican--

(Senator Lamar Alexander Laughing)

BOB SCHIEFFER: --I take it, you don't quite agree with that. Let me ask you this. Republicans have done everything they can and openly. They're not making any secret of it to slow this process down as much as they can. Is it now done or will you continue to try to slow this vote down?

SENATOR LAMAR ALEXANDER (R-Tennessee/Republican Conference Chair): Well, no it's-- it's never done in the Senate until it's done. And I thought Senator Snowe pretty eloquently explained why we want to know more about the bill. I mean there's a reason why we're voting on it in the middle of the night. We just learned about it yesterday. They're trying to push it through before Christmas. There's a lot of explaining to do. I mean how're you going to-- how're you going to help Medicare by taking a trillion dollars out of Medicare over a ten-year period at a time when Medicare is going broke in five years according to its trustees? How will taxes help create new jobs when we've got ten percent unemployment? How are governors going to pay for the Medicaid expansion? Almost all of them are saying they'll have to raise state taxes. They'll have to raise college tuitions. And then what about the sixteen million Americans, low income, who're getting dumped into Medicare-- Medicaid, excuse me, the program for low-income Americans, where fifty percent of the doctors won't even see new Medicaid patients?

BOB SCHIEFFER: So let me get back to the question I asked you.

SENATOR LAMAR ALEXANDER (overlapping): So there's a lot of explaining to do.

BOB SCHIEFFER: Let me get back to the question I asked you. Are you going to continue to try to slow this process down or are you going to let it come to a vote?

SENATOR LAMAR ALEXANDER: Well, we want to take the time to let the American people know what it costs, what it is, how it affects them. Because we believe when they find out they won't like it any better than they do now and they won't allow Congress to pass it.

BOB SCHIEFFER: Do you believe it is possible to keep this from coming to a vote before Christmas?

SENATOR LAMAR ALEXANDER: Oh, I'm not sure. We'll have to see. But it is outrageous in the middle of a snowstorm to give us a twenty-seven-hundred-page bill yesterday, start voting in the-- literally, in the middle of the night and say let's pass it before we go home for Christmas.

BOB SCHIEFFER: Senator Landrieu, you were one of those like Senator Snowe who was very much on the fence. But then somehow in what people are calling the Louisiana Purchase--three hundred million dollars in Medicaid help for your state--came your way and you suddenly were able to vote for this.

SENATOR MARY LANDRIEU (D-Louisiana): Bob, let me be very clear nothing could make me vote for a bill if I didn't think it was the right thing to do for my state and for the nation; nothing, no amount of money. That was one of about twelve things that I fought very hard for. And I'm pleased to say in the final bill many of them have presented themselves. One, Sherrod mentioned, tax credits for small businesses.

I'm the chair of the Small Business Committee. I was not going to support a bill that didn't have robust help for small business. I was not going to support a bill that had a small business mandate.

So there were a number of things. That was just one. And it was a very worthy request in the sense that after Katrina, our calculation for Medicaid put us in the same category as Connecticut. People know that Connecticut is a much richer state than Louisiana. But having said that, I'd like to answer the question you asked Lamar.

There's only one reason we're going to be here till Christmas and that's Senator Tom Coburn. We don't have to vote in the middle of the night. But he's the one making us do it; not Harry Reid; not the Democrats. It is the Republican obstructionists that are making us vote in the middle of the night.

Number two, we've been discussing this issue for forty years--not four months, not four weeks--forty years we've debated this. And since last March, this discussion has been public. So this business about they don't know what's in the bill. It's been widely, widely distributed. The-- the language has been on the internet. We are going to get this done before Christmas. And it's extraordinary that Democrats, Sherrod who-- was started out for robust public option. I was not necessarily for that much government involvement, have come together to write what we think is a great, very good, great bill for the American people.

SENATOR LAMAR ALEXANDER (overlapping): The-- the Democrats--

(cross talking)

BOB SCHIEFFER: Let's--

SENATOR LAMAR ALEXANDER: --the assistant Democratic Leader Dick Durbin said on the floor last week he didn't know what was in the bill. We got a four-hundred-page amendment yesterday. The reason they're rushing it is because they don't want people to know about the Medicare cuts, the tax increases, and--

SENATOR MARY LANDRIEU (overlapping): That is not true.

SENATOR LAMAR ALEXANDER: --the chief actuary of government has said that rather than decreasing costs, it will raise costs over the next twenty years. That's the chief actuary of government in the Obama administration said that.

SENATOR MARY LANDRIEU (overlapping): That is not true.

SENATOR SHERROD BROWN: Let me put a human face on this. In Toledo, in Dayton, in-- in Piqua, Ohio, three hundred ninety people every single day are losing their health insurance, three hundred ninety people a day. Across this country, a thousand people a week die because they don't have health insurance. A woman with breast cancer is forty percent more likely to die if she doesn't have insurance than if she does have insurance, forty percent more likely.

So this kind of obstruction, I mean, this-- this-- this gang of six started meeting in--formally in June but much before that as they started negotiating this bill.

Everybody knows the great majority of what's in this. Everybody has debated it. Everybody is-- it-- it-- it is just a question of delay. I mean, I-- in-- in-- in the end-- and I-- you know, I like Lamar and I like most of my colleagues on the other side of the aisle but-- but it's-- it's so much what the insurance industry wants. The insurance industry stands to lose a lot. CEO of-- of Aetna made twenty-four million dollars last year. Under this bill-- because we've got a provision in this bill that no more than fifteen or twenty percent of every premium dollar can go to the insurance companies, the rest have to go to hospitals--

SENATOR MARY LANDRIEU: Mm-Hm.

SENATOR SHERROD BROWN: --and doctors in-- in Knoxville and in Baton Rouge and in Columbus. And so--

SENATOR LAMAR ALEXANDER (overlapping): The fact-- the fact of the matter--

SENATOR SHERROD BROWN: --that-- that means that insurance companies are-- are going to come to the table and going to have to give a little bit up.

SENATOR LAMAR ALEXANDER (overlapping): I-- I would like to hear Sherrod Brown or any other person explain to me how you're going to take a trillion dollars out of the Medicare program on which forty million seniors depend, which is precisely the amount when the program is fully implemented and not spend it on Medicare, not spend it on grandma but spend it on somebody else at a--

BOB SCHIEFFER (overlapping): All right. So let's-- let's--

SENATOR MARY LANDRIEU (overlapping): I will say that-- first of all-- first of all--

SENATOR LAMAR ALEXANDER (overlapping): --at a time when the program is going broke in five years.

SENATOR MARY LANDRIEU: First of all, we don't take a trillion dollars out of Medicare. We take a couple of hundred million by streamlining the program. We streamline the program.

SENATOR LAMAR ALEXANDER (overlapping): Now-- now, Mary, if the CBO says it's a trillion dollars over ten years when fully implemented.

SENATOR MARY LANDRIEU: It's-- it is-- it is not a trillion dollars over time. And Republicans, like John McCain and Lamar Alexander, have supported many of those same ways to streamline Medicare in the past. John McCain actually ran on some of this.

So to claim that we're doing something that Republicans and Democrats haven't tried to do for Medicare, we're strengthening Medicare. That's the bottom line. Seven years expanding that trust fund. And we're taking some of that money and providing tax cuts and tax credits for small business. And for the first time in America, Americans will have an opportunity to have the same kind of insurance that federal employees have, including members of Congress. That's a promise the President made and we're keeping it.

SENATOR SHERROD BROWN: And the-- and the AARP and the American Medical Association wouldn't be-- wouldn't be supporting this bill if it were-- if it were--

SENATOR MARY LANDRIEU (Overlapping): Right.

SENATOR SHERROD BROWN: --substantially cutting Medicare. Most of the cuts, the reason, you know, when you-- when you throw a rock into-- into a pack of dogs the one that howls is the one you hit.

And most of the people, the-- the reason that the Republicans are howling on the Medicare, quote, unquote, "cuts" is because we're cutting insurance com-- company subsidies that have gone to Medicare. So you take those subsidies out, of course, they're unhappy with that because the insurance companies are their biggest supporters in election after election.

SENATOR LAMAR ALEXANDER (overlapping): This is-- this is exactly why we shouldn't be voting in the-- in the middle of the night and passing at Christmas.

They are saying that tax cuts aren't-- that tax increases aren't tax increases. They're saying that a trillion-dollar cut in Medicare spent on a new program isn't a trillion-dollar cut in Medicare. They're ignoring the fact that they're dumping on states new expenses for Medicaid that, in my state our Democratic governor has said is the mother of all unfunded mandates will cost tax increases and increases in college tuitions, and they're dumping sixteen million low-income Americans into a Medicaid program, which fifty percent of the doctors won't-- in which they won't see new patients.

SENATOR MARY LANDRIEU: Bob, let me just add this. They are going to be-- ninety-four percent of all Americans are now going to have health care. This is being done through a private/public partnership, not a government takeover but reform of the insurance industry that people even have insurance are desperate for. And it is not being done, you know, in a-- in a very quick way. As I said, we've been debating this all year. So we're ready to come to this great

compromise that we believe that brought the Democratic Party together. We wish the Republicans would have joined us.

But it's easy to be unified when the only word in your vocabulary is "no." That's all they've been able to say to the American people. It's time to say "yes" to them and get on with the job of governing.

SENATOR SHERROD BROWN: Let me-- let me tell you why this is-- is no longer business as usual.

BOB SCHIEFFER (overlapping): We've about ten seconds.

SENATOR SHERROD BROWN: Okay, okay, in 2003 when-- when the insurance companies and the drug companies and President Bush pushed through the Medicare privatization bill they had no-- no-- they were not paying for it in any way. We are paying for this bill.

SENATOR MARY LANDRIEU (overlapping): Paying for it.

SENATOR SHERROD BROWN: The Congressional Budget Office says it will over in the next twenty years it will be a 1.4-trillion-dollar pay down of the national debt.

SENATOR MARY LANDRIEU (overlapping): Savings.

BOB SCHIEFFER: All right.

SENATOR SHERROD BROWN (overlapping): This is the Congressional Budget Office saying that.

BOB SCHIEFFER: One, ten seconds.

SENATOR LAMAR ALEXANDER: Medicare cuts, tax increases, big new taxes on states and dumping low-income Americans into a Medicaid program where half the doctors won't see new patients.

BOB SCHIEFFER: We will continue this conversation.

(Senator Mary Landrieu laughing)

BOB SCHIEFFER: We're out of time. Back with some--

SENATOR LAMAR ALEXANDER: Thank you.

BOB SCHIEFFER: --closing thoughts in a minute.

(ANNOUNCEMENTS)

BOB SCHIEFFER: Finally today, Washington woke up a different place yesterday. No, I don't mean elected officials suddenly put aside partisan games. No, Washington was--depending on how you look at it--the victim of or blessed by the ultimate cover-up. We were covered up by a huge snow.

From the Capitol where the Senate was locked in nasty debate to the White House, Washington was transformed into a winter wonderland.

That's the thing about snow. The cliches come tumbling down with the first flakes. We can't help ourselves. But even the torrent of words and descriptions we've heard a million times before can't beat the scenes that a snowfall paints.

There's an old Washington truth--another cliché to be sure--that where we stand depends on where we sit. A snow just underlines that. Adults dread snow because it means school closings, snow drifts, detours, and blocked sidewalks. Children, on the other hand, love snow for exactly the same reasons--school closings, snow drifts, detours, and blocked sidewalks.

Is that then a thought for the holiday season that when we allow the inconveniences of modern life to overwhelm us, we miss what every child knows but can't really explain, that a change in the weather, the first snow, a sign of spring, a summer sunset, can make us smile and help us to find peace and contentment. Are there miracles? I believe snow can be a miracle, but only if we allow it to be.

Back in a minute.

(ANNOUNCEMENTS)

BOB SCHIEFFER: And from all of us here, happy holidays.