

Remarks at the Selfhelp Austin Street Senior Center in New York City
March 30, 2000

Thank you so much. Well, Linda, based on your speech here, I would say you have a good chance to succeed your mother as an effective senior politician—[*laughter*—when your time comes. Didn't she do a good job? I thought she was great.

I want to thank you and your mother and your family for being here. Congressman Anthony Weiner, thank you for welcoming me to your district, and for the truly outstanding leadership that you have provided to your constituents and to this country. You should be very proud of him. He's done a great job in Washington, DC.

I want to thank Richard Aronson, the CEO of Selfhelp Community Services, for what you do, and for the whole self-help movement, which I believe so strongly in. I'd like to thank Rabbi Skolnik of the Forest Hill Jewish Center for hosting the Selfhelp Austin Street Senior Center. I want to thank my long-time friend, your borough president, Claire Schulman, and all the people from Queens, the officials who are here. Thank you for coming.

I have brought a number of people from the White House. There's a big crowd here. But I brought two people I want to acknowledge. First of all, Tom Freedman, who works with me in the White House, because he's an old friend of Congressman Weiner's, and he lived with him. And whenever the Congressman gets a little too pushy with me, I remind him that I know things about his lost youth. [*Laughter*] So I thank Tom for coming—although I must say, that crack about the busy life of a political spouse is one of the best jokes I've heard on me in a long time. [*Laughter*] I loved that.

And I want to recognize one person who has played a major role for 8 years now in the economic success of this administration. I think, clearly, the most knowledgeable Director of the Office of Management and Budget, member of the President's Cabinet, in the history of that office, a man who got his bar mitzvah in the synagogue upstairs and who had the party here in this very room, Mr. Jack Lew, who's here with me today. Thank you, Jack, wherever you are. Stand up, Jack. When he told me he got his bar mitzvah here, I asked if he were pre-

pared to go through the exercise again today. [*Laughter*] And he said his head was too crowded with my budget numbers.

Let me say to all of you, I am profoundly honored to be here and to be in the presence of Americans who have served our country in so many profoundly important ways. Many of you, well into retirement, continue to serve today, providing the volunteer power that runs this center and doing other things of immense value to your community. Your energy and your experience are a precious natural resource. They are part of the answer to how we are going to deal with the challenge of Americans living longer lives, to ensure that those lives will also be better and more fulfilling lives.

But there's another thing that I worry about all the time, that you just heard so eloquently discussed by Linda Nadel. I am the oldest of the baby boomers; I was born in 1946. The generation between—of people born between 1946 and 1964 is loosely known as the baby boom generation. We were, until 2 years ago, the largest number of children ever to go through the public schools of America. Only now, for the last 2 years, have we had a larger number of children in our schools.

When we retire, there will only be, at present rates of childbirth and immigration, about two people working for every one person drawing Social Security. And I can tell you, I grew up in a medium-sized community where most of my friends were just middle class working people, and most of my childhood friends whom I still know today are middle class working people. And they all worry very much about whether our society is prepared for the retirement of the baby boom generation. And all of us who are parents are worried to death that our retirement might somehow burden our children and their abilities to raise our grandchildren.

So I came today to talk to you about the challenges that American seniors face today—one of which has already been discussed by Congressman Weiner, which is the challenge of prescription drugs and the fact that it's not covered by Medicare today—and the challenges that America will face when we have even more seniors in the future.

Social Security and Medicare are the foundation of our commitment to seniors and to millions of Americans with disabilities. Fiscal responsibility has been the foundation of my answer to the challenge of the baby boomers' retirement.

Seven years ago, when I became President, we had a \$290 billion deficit, our national debt had quadrupled in 12 years, and Medicare was predicted to run out of money in 1999, last year. We had to make some tough choices. Vice President Gore and I presented the budget to the Congress, and he cast the tie-breaking vote in the Senate—one of his good jokes, Congressman, is that whenever Al Gore votes, we win, because he only gets to vote when the vote is tied—[laughter]—and the first budget passed by a single vote in the House.

But it began to turn the country around. We got the deficit coming down. We got interest rates coming down. We got the economy growing again. And now, we've been able to have balanced budgets and surpluses, doubling our investment in education, and still providing needed tax relief to working families.

This strategy was very controversial when we first started it, but it's not so controversial anymore. We've had the first balanced budgets back to back in 42 years, the longest economic expansion in history, the lowest unemployment rate in 30 years, the lowest welfare rolls in 30 years, the lowest poverty rates in 20 years, the lowest crime rates in 25 years, and 21 million new jobs. If we keep going, we'll be able to make our country debt-free in the next dozen years, for the first time since 1835.

Now, I want to focus, though, on the specific challenges you face and the specific challenges that we baby boomers face as we move into our senior years. What does all this mean?

On that score, remember, again, when I took office, I got a report that said the Medicare Trust Fund was going to be broke in 1999, last year. But the strong economy has helped. So have a lot of the Medicare reforms and a lot of our antifraud measures. And Medicare and Social Security are now on a path to a sound future. Today the Social Security and Medicare trustees issued the report they issue every year at this time on the financial health of these two vital programs. But the first thing I'd like to do is to tell you what kind of shape they're in.

The Social Security trustees announced that the economy has now added 3 years to the expected life of the Social Security Trust Fund. It is now solvent until 2037 with the present situation.

The Medicare trustees told us that Medicare is in the best shape in a quarter century, better managed, more efficient, and now solvent until 2023, 24 years longer than the solvency on the day I took office. And I am very pleased by that. This means that the commitment to fiscal discipline and good Government can make a difference in the lives of families, not only here in Queens but all across our country.

Let me just give you a couple of other examples. Just a decade ago, Medicare premiums were increasing at double-digit rates every single year. Today, with better management and with a strong economy, we've been able to slow the rate of growth dramatically, producing a savings of more than \$200 a year in the premiums for a couple over 65.

We're also enabling seniors who are willing and able to work, to do so without losing their Social Security benefit. Last year I asked Congress to work with me to allow our seniors to work without being penalized, and both Houses have now passed that legislation to eliminate the Social Security earnings caps for seniors.

Now, that's the good news. But let me say to all of you: While the trustees reports showed that Social Security and Medicare are secure today, we must stay focused on the challenges of the future. In 30 years, the number of Americans on Medicare, the number of Americans over 65, will double. I hope to be one of them. But they will double.

Now, let's face it. This is a high-class problem. This is the kind of problem we have because we're living longer and better lives because of the miracles of modern medicine, because of the miracles of basic public health, because we're taking better care of ourselves, and that's all very, very good. But we have to prepare for it. And we have to be ready for the challenges we know ahead. We want all seniors to have access to state-of-the-art medical care. We want all Americans to be able to live out their lives in comfort and dignity, without fear of being a burden to their families.

I'd like to just mention one of the families here with us today: Wichna Szmulewicz and her husband Szymon are Holocaust survivors. Szymon has Parkinson's disease. Wichna takes

care of him. Their prescription drug costs take almost 20 percent of their annual income. This is not right. Wichna does not want a handout, but she doesn't want to be a burden to her grown children, and she does need some help. That's what our proposal, that Congressman Weiner and the other members of our caucus support, to provide a voluntary prescription drug benefit in Medicare, is all about.

I think we ought to do our part to help these folks and people like them in this room, in this community, and all over this country. We should not consume our surpluses with big, risky tax cuts until we have first used the surplus to strengthen Social Security and take it out beyond the life of the baby boom generation, to strengthen and modernize Medicare, and to invest in our children's future through education, science and technology, and medical research. And we ought to pay this national debt off. I was so pleased to hear you clapping for that. That means we'll have another generation of prosperity with lower interest rates, more growth, higher incomes, and more jobs.

So I have asked the Congress to use every dollar of our Social Security surplus to pay down the debt and use the interest savings from it to extend the life of the Social Security Trust Fund. If we just took the interest savings we'll get from paying down the debt with the Social Security taxes you are paying and we put that interest saving into the Social Security Trust Fund, we could extend the life of Social Security to 2054, beyond the life of the baby boom generation.

It's a simple bill. We're for it. The President is for it. The Vice President is for it. The Congressman is for it. The Democratic candidate for Senator from New York is darn sure for it. *[Laughter]* And if we can just get a little help from our friends on the other side of the aisle, we can extend the life of Social Security to 2054, beyond the life of the baby boom generation, and no baby boomer will have to worry about being a burden to his or her children or grandchildren. That is a wonderful opportunity and a simple thing to do.

The second thing we have is a great opportunity to strengthen and modernize Medicare. You know, if Lyndon Johnson were President today and he were starting Medicare again, he would never sign a bill that didn't include prescription drug coverage.

Just think how different medicine is today than it was 35 years ago. Today, often the most cost-effective medical treatment, keeping people out of hospitals, keeping people out of surgery, lengthening life and quality of life, involves prescription drugs. Well, when Medicare was enacted, we didn't have CAT scans or MRIs. We certainly didn't have drugs that lowered cholesterol or fought osteoporosis. Now, not having a prescription drug coverage in Medicare is like paying a mechanic \$4,000 to fix an engine because you wouldn't spend \$25 to get the oil changed and a clean filter.

I simply propose to add a purely voluntary prescription drug benefit to Medicare. It will make, also, preventive drug screenings more affordable, will have an extra pot for people who have truly catastrophic costs for drugs, if they need insurance for that.

I also want some further changes to make Medicare more efficient. One of the reasons we've got the life of the Fund out as far as we do is that we have a much, much lower error rate—in other words, things being done that shouldn't be done, things being paid for that shouldn't be paid for—than we had 7 years ago. If Congress will work with me, we can get this done this year.

But I cannot tell you how important this is. More than three out of five seniors on Medicare in this country today do not have adequate, affordable prescription drug coverage. And I think it is a great mistake, as some have suggested, to limit this coverage to people at, let's say, 200 percent of the Federal poverty line. For a single widow, that's \$16,000 a year. Now, that may seem like enough to live on, unless you have \$300 or \$400 a month in medical bills, for medicine alone, and a lot of people do.

So again, since this is a voluntary program, I believe we should make everyone on Medicare eligible to buy into it. The broader the participation, the more cost-effective it will be. Very often, we've got seniors who either don't have any medical insurance that covers prescription drugs, or if they do, it is very limited. And very often the seniors who have the least money are paying the highest prices for drugs of anybody in this country, and it is wrong.

Now, we are in good shape now. The life of the Medicare Trust Fund is secure until 2023—I mean 23d of—whatever it is—I just forgot. *[Laughter]* What is it, Jack? Twenty-two, twenty-three, I got it right. My budget would

take it out to 2030. I would like to have a 30-year cushion there. I would like for people to know that it would be there for 30 years. But it would also provide this prescription drug coverage.

Now I can tell you what is going to happen. Your Congressman and I are going to go back to Washington, and there will be people to say—oh, mostly on the other side of the political, I would say—“Well we know this is a hot issue, and we’ve got to do something about it. So let’s just provide drug coverage for people up to 150 percent of the poverty line.” It’s not enough. Medicare was intended to benefit all seniors, to help all seniors to keep from being driven into poverty. And this is an insurance program.

We would never, I will say again, we would never, ever think of creating a program, if we were starting all over again with Medicare today, that did not have a prescription drug component. You know it, and I know it. Since we wouldn’t do that, since the program’s in the best shape it has been in in a generation, since we have the funds to take it out to 30 years of life, let’s add a prescription drug benefit that everybody in this room and everybody in this country who is eligible by age and who needs it can buy, to provide the kind of security in health care all American seniors deserve.

I just want to say one other thing, sort of off my script, that a lot of you will remember, and you will identify with this. You only get a few chances in life as a people to do really big, good things, when times are going along so well and the circumstances are there, that you can do this. When Medicare was created, it was during what was up until this time the longest economic expansion in American history. And so the American people felt secure, and they supported their elected Representatives in

doing things like beginning to provide national health to our schools and providing Medicare. Now that’s the last time we were able to do something like this.

Now we are in the longest economic expansion in our history. But these things don’t go on forever. And if we can’t do this now, when will we ever do it? If we can’t do the really big, right things now, in Medicare, in continuing to pay our debt off, in improving the education of our children, in providing economic opportunity to the neighborhoods and the rural communities and the other places that have been left behind, when will we ever get around to it?

So I want to ask all of you, whatever your political background, to give us some support to reform Medicare and provide this prescription drug benefit, to lengthen the life of Social Security to 2054, to make sure that the baby boomers’ entire lives are a blessing to this country and not a burden to our children and grandchildren, and to immediately provide the seniors of today the prescription drug coverage that so many millions of them need.

This is an honorable and a good thing to do, but it is a solemn obligation, and we will never have a better chance to do it. And therefore, we have a solemn responsibility to get the job done.

Thank you, and God bless you all.

NOTE: The President spoke at 3:01 p.m. in the Crystal Room at the senior center in the Borough of Queens. In his remarks, he referred to Linda Nadel, office manager, Services Now for Adult Persons Senior Center, who introduced the President, and her mother, Ruth Freidman, lobbyist for senior issues; and Rabbi Gerald C. Skolnik, Forest Hill Jewish Center.

Statement on the Regional Funding Conference for Southeast Europe *March 30, 2000*

I want to congratulate the countries of southeast Europe, the Stability Pact, the European Commission, and the World Bank on the success of the Regional Funding Conference for Southeast Europe in Brussels.

Last year we launched the Stability Pact with a common understanding that an undivided, democratic, and peaceful Europe can only be built when the countries of southeast Europe are integrated with the rest of the Continent.