

MEDICARE REFORM CUT OFF AT THE KNEES BY CLINTON AND DEMOCRATS

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 24, 1999

Mr. BEREUTER. Mr. Speaker, this Member highly commends this March 20, 1999, editorial from the Omaha World-Herald regarding President Clinton's actions on Medicare Reform. Because of the imminent crisis that Medicare faces in the near future, I am very disappointed that the President has chosen to play politics with such an important issue instead of finding real solutions to preserving Medicare.

[From the Omaha World-Herald, Mar. 20, 1999]

CUT OFF AT THE KNEES

When President Clinton torpedoed the recommendation of a majority of the members of his bipartisan commission on Medicare reform, his action raised the question of whether he ever intended the commission to succeed.

Clinton has been demagoguing the Medicare issue ever since before the 1996 election, when Republicans in Congress proposed slowing the growth of Medicare spending from 10 percent a year to 7 percent. The President won re-election, in part, by persuading some voters that the Republicans wanted to destroy Medicare and forsake the elderly.

After the election, the GOP insisted that Clinton must take the lead if he wanted Republican help in repairing the program, which is headed for bankruptcy as the cost of providing doctor and hospital care for retirees outraces available revenues. Clinton responded with the classic bureaucratic evasion. He named a commission to study the problem.

The need for reform is indisputable. Medicare is funded by payroll taxes and income taxes. The worker-to-beneficiary ratio was 4-to-1 when the program was enacted in 1965. That ratio will be cut in half by 2030, when aging baby boomers will swell the ranks of Medicare recipients. By then nearly 80 million people will be eligible for Medicare. That's double today's number.

Meanwhile, medical care has become more sophisticated and expensive. Medicare is projected to go bankrupt in 2008—and that's before the impact of baby boomer retirements is felt.

Spokesmen for the elderly have been pressuring government to expand the benefits, adding coverage for prescription drugs. What started out as providing doctor's services and hospitalization would become a full-service health program, not only covering catastrophic care but also paying for routine services that people used to assume were their own responsibility.

The bipartisan commission recommended changes that have been ordered by some congressional leaders, among them Sen. Bob Kerrey, D-Neb. Changes include raising the eligibility age in small steps to age 67 over the next quarter of a century. The commission also said that people ought to be able to receive Medicare coverage through private plans, nearly 90 percent of which would be subsidized by Medicare dollars. Such changes could save \$500 billion by 2030, the commission said.

Clinton rejected the plan, although he said some parts of it had promise. He characterized it as a reduction in benefits, which he said is not permissible. Ten members of the

commission had supported the recommendation, with 11 votes needed. The 10 consisted of eight Republicans and two Democrats, Kerrey and Sen. John Breaux of Louisiana, who co-chaired the commission.

Instead of savings \$500 billion, Clinton said, the government needs to spend an additional \$700 billion through 2020. "Medicare cannot provide for the baby boom generation without substantial new revenues," Clinton said.

Taxpayers ought to cringe at the prospect. Clinton said the new money will be provided by future budget surpluses. By siphoning 15 percent of projected surpluses, Clinton said, the government can fund his proposed expansion of Medicare.

That is based on an implied assumption that the economy is recession-proof, which has no basis in fact or history. When the spending in a program is accelerating out of control, government should at least question the assumptions that are behind the growth. Clinton's solution is to find more money. He is confident that it will be there. Yet neither he nor anyone else, a year or two ago, saw the revenue tide coming. And even if payroll and income taxes could generate enough revenue to cover the rising cost of Medicare, that does not mean it is right to let the program's budget spiral upward indiscriminately.

Health care for the elderly is a legitimate concern of government. But it is not evil for politicians to decide that government may have to be more efficient in subsidizing such care. Neither is it evil to suggest that a major expansion in benefits isn't affordable at the very time a big increase in recipients is projected.

At one point, with senators like Kerrey and Breaux taking the political risks of looking for an actuarially defensible solution, it seemed that a genuine, compassionate, affordable and bipartisan plan of action could be arrived at. Now that Clinton and their fellow Democrats on the commission have cut Kerrey and Breaux off at the knees, that possibility, regrettably, has become less likely.

THE ELDRED HOUSE

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 24, 1999

Mr. SHIMKUS. Mr. Speaker, I would like to take this time to applaud the efforts of the Illinois Valley Cultural Heritage Association to place the famous James J. Eldred stone house in Eldred, IL in the National Register of Historic Places.

Built 138 years ago, this three-story house was made from natural bluff limestone by James J. Eldred who is a descendent of a historic English family. The Eldred house is the largest of nine area limestone houses and was known for the elaborate parties that took place there. Soon this house will be renovated and used as a museum of American Indian and farm history.

I wish the Illinois Valley Cultural Heritage Association the best in their efforts to secure the Eldred House's rightful place in history.

DAVID HORSEY WINS BERRYMAN CARTOONIST OF THE YEAR AWARD

HON. JAY INSLEE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 24, 1999

Mr. INSLEE. Mr. Speaker, I am delighted to announce that one of my constituents, Mr. David Horsey, recently won the Berryman Cartoonist of the Year Award from the National Press Foundation.

American newspapers have traditionally carried political cartoons, much to the delight of their readers. While it usually takes political pundits hundreds of words to express an idea or assert an opinion, political cartoonists have the difficult task of capturing timely political issues in just a few deft strokes of the pen. One of the masters of this art form is Mr. David Horsey.

Mr. Horsey, a Seattle native, has worked at the Seattle Post-Intelligence since 1979. Many readers turn to his drawings first thing in the morning, in order to enjoy his pungent and unique interpretation of the political scene. His cartoons never fail to show, literally, the affairs of the day with his own flair and style.

I am so pleased that Mr. Horsey's work was honored by the National Press Foundation. I look forward to many more years of brilliant commentary in his cartoons. Since Mr. Horsey is dedicated to the truth, we can only hope that his caricatures of politicians become more forgiving.

JUDGE HENRY E. HUDSON TAKES THE BENCH IN FAIRFAX COUNTY

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 24, 1999

Mr. WOLF. Mr. Speaker, on March 19, 1999, Henry E. Hudson was sworn to a bench in Fairfax County Circuit Court during an investiture ceremony. He was assisted in the enrobing by his son, Kevin.

Judge Hudson brings a lifetime of wisdom and legal experience to his new task. He has previously served in Virginia as a deputy sheriff, assistant commonwealth's attorney, commonwealth's attorney, assistant U.S. attorney, U.S. Attorney for the Eastern District of Virginia and as director of the U.S. Marshals Service. He also practiced law in the private sector for a number of years and served on important federal and state boards and commissions.

A lifelong Virginian and member of the Arlington County Volunteer Fire Department, Judge Hudson continues a proud tradition of service to the people and respect for the rule of law. The judge, his wife, Tara, and their son Kevin make their home in northern Virginia.

We in Virginia and in America are fortunate to have people of Judge Hudson's capabilities serving on the bench.