

Remarks of Senator Daniel K. Akaka to the senior leadership training conference, Hawai'i State Council of Senior Citizens

Senator Daniel K. Akaka Papers

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REMARKS OF U.S. SENATOR DANIEL K. AKAKA
TO THE SENIOR LEADERSHIP TRAINING CONFERENCE
HAWAII STATE COUNCIL OF SENIOR CITIZENS

Holiday Inn Airport
January 8, 1998
Thursday, 10:45 A.M.

Aloha and Good morning ladies and gentlemen. It is a pleasure to join you this morning for your leadership training conference. Today's gathering gives special meaning to the motto of the Hawaii State Council of Senior Citizens--"Ke hana like nei na kupuna i`oi loa a`e `o Hawaii." Senior citizens working for a better Hawaii, and a better America. It is important that leaders from over 17 senior organizations have come together to discuss issues and share information on the health and security concerns of older Americans. Information and coordination are essential to the strength of your arguments and the effectiveness of your advocacy as we approach the 1998 elections.

Congress confronted a number of major issues in 1997. We passed a comprehensive plan to balance the budget and extended the solvency of Medicare for another decade.

The Balanced Budget Act of 1997 included some of the most significant changes to the Medicare program since its inception in 1965. While some of the provisions concerned me, the new law provides for some critical changes. We broadened the options available to seniors in choosing health care plans, enhanced consumer protections, strengthened civil and criminal penalties for Medicare fraud and abuse, modernized Medicare's payment system, and expanded coverage for preventive health services.

Some of these new benefits include colorectal screening, diabetes screening and outpatient self-management training services, bone mass measurement, and a number of women's health services. A number of controversial provisions that passed the Senate, including provisions to means-test Medicare, increase the eligibility age from 65 to 67, and impose a \$5 copayment for home health care visits, were removed from the final bill.

We also established the National Bipartisan Commission on the Future of Medicare to further examine the long-term solvency of the Medicare program. The commission is required to report to Congress by March 1, 1999, on the long-term financial condition of Medicare, including the identification of problems that threaten the financial integrity of the program and analyze potential solutions.

The key to the commission's success and any meaningful reform of the Medicare program depends on public involvement and participation in the process. To honor all that Medicare has done for retirees, we must deal with the entitlement challenge.

Social Security, the nation's largest entitlement program, has also been the focus of intense congressional and public interest. Currently, the system's revenues exceed its expenditures. Given recent projections for a possible 1998 budget surplus, some Republicans are eager to create more special interest tax breaks and return to the trickle down economic policies of the 1980s. This is ironic since the Balanced Budget Reconciliation Act of 1993--the legislation most responsible for our strong economic growth and shrinking budget deficit--passed the Senate by one vote and passed Congress without a single Republican vote.

In the rush to spend any so-called surplus, they fail to mention that these projections include \$135 billion from the Social Security trust fund. However, appraisals of the program's financial condition by the Social Security board of trustees project that the system will face significant long-range financing problems in the future. By the year 2029, the trust fund balances are projected to be depleted and the system would be technically insolvent. At that time, the system's income would cover only 75 percent of its projected expenditures.

While there is no imminent Social Security crisis, I believe that making relatively modest changes now to address projected long-term financing problems will avert the need for more drastic changes in benefits and financing in the future.

Last year, the Advisory Council on Social Security issued a report containing its recommendations for strengthening and preserving the program. The 13-member advisory council could not reach agreement on a single approach that would ensure long-term financial solvency. Therefore, the report contains three different recommendations, ranging from maintaining the program's current structure to redesigning the program by replacing a major portion of retirement benefits with individual private savings accounts.

As Congress continues to examine the program's long-term financing problems, Social Security will be scrutinized more closely than at any time since its creation in 1935. In Congress, hearings have been held and proposals have been introduced to address Social Security's long-term financing problems. However, we lack a national consensus about what should be done to address the projected financial insolvency of the Social Security. Bipartisan cooperation is essential if we are to ensure the program's long-term stability.

Social Security embodies a unique compact with the American people, and I will continue to support efforts to preserve the integrity of the trust fund. We must work to

ensure that the Social Security and Medicare programs continue to serve the needs of current and future beneficiaries.

I am proud and honored to represent you in the United States Senate. Working along with Dan, Patsy, and Neil, I look forward to hearing from you, and receiving your mana`o, as the Congress debates issues impacting the health and welfare of our older citizens. Together, we can make life better for people of retirement age while we build a brighter future for all Americans. Thank you and Aloha.

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