# Withdrawal/Redaction Sheet
## Clinton Library

| DOCUMENT NO. AND TYPE | SUBJECT/TITLE | DATE | RESTRICTION |
|---|---|---|---|
| 001. draft | HRC speech re: Social Security Event [partial] (2 pages) | 02/17/1999 | b(6) |

**COLLECTION:**

Clinton Presidential Records
First Lady's Office
Christine Macy
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**FOLDER TITLE:**

Medicare, Social Security

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**RESTRICTION CODES**

**Presidential Records Act - [44 U.S.C. 2204(a)]**

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

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**Freedom of Information Act - [5 U.S.C. 552(b)]**

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Margaret M. Suntum
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To: See the distribution list at the bottom of this message

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Subject: remarks of the President and Mrs. Clinton on Women and Medicare

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release July 27, 1999

# REMARKS BY THE PRESIDENT AND THE FIRST LADY ON WOMEN AND MEDICARE

Presidential Hall

10:24 A.M. EDT

MRS. CLINTON: Thank you very much. And I want to thank Secretary Shalala, who has been a strong voice and strong force on behalf of issues that affect how we live and what kind of country we are.

I want to thank all of you for being here, as we come together to talk about one of most important challenges our nation faces today -- saving and preserving Medicare. I want to acknowledge the many people here who have done so much over the years to help us meet our obligations to each other and to the next generation -- members of the Older Women's League, the American Association of University Women, and those of you who represent women's and seniors' groups and Medicare advocates from one end of our country to the other.

We've come here today because our nation is engaged in a critical debate about America's future. We're living in a time of great prosperity and blessings, and of almost unparalleled opportunities for progress for all of our citizens. And we should all take pride in what we have been able to accomplish together over the last six and a half years. But the question before us now is how do we take advantage of this historic opportunity to take on some of the tough challenges our nation faces? How do we strengthen, rather than weaken, our fundamental commitments not only to our parents and our grandparents, but to future generations as well?

And that brings me to an issue that touches all of us, the urgent need to protect and preserve Medicare. Unless we act now, current projections say the Medicare trust fund will be insolvent in the year 2015, which is not very long at all. While this is a major concern for all of us, we're here today to spotlight those who have the greatest stake in a strong and healthy Medicare program, and that is America's women.

As the Henry Kaiser Family Foundation and OWL have reminded us again and again, women simply live longer than men. Now, we hope that is one gender gap that will eventually be closed, but it is the fact. And it is the fact as we project out into the 21st century. Now, that means we have more years to cherish our mothers and our grandmothers, but it also means that they and we are more likely to suffer from multiple and chronic illnesses and have greater long-term care needs. Four out of five of America's elderly women are widowed and almost half live out their days alone. And, not surprisingly, elderly women are much more likely to be poor. Nearly 7 in 10 Medicare beneficiaries living in poverty are women.

For all these reasons, supported by new data that the President will talk about in a few minutes, women rely more on Medicare than men and are, therefore, more vulnerable to changes in Medicare policies.

Over the past six and a half years, and as recently as a few weeks ago, I've spoken with women around the country about their concerns about the future: Women living alone who worry about who's going to care for them when they can no longer live independently; women with limited incomes who are struggling to pay for their prescription drugs, who don't think they can afford to get regular check-ups or get screening tests for osteoporosis, or breast cancer; women who, in their 60s and their 70s, are taking care of their aging or disabled parents, and who rely on Medicare to help them meet their family responsibilities.

I'm sure each of us here today has a story to tell. And we have with us just one example of a devoted daughter: Mary Lee DiSpirito, whose mother came to live with her in Virginia after her father died. As her mother became increasingly frail, Mary Lee had to stop working to care for her mother full-time. Like so many elderly women today, Mary Lee's mother suffered from multiple health problems. And while she had Medicare, and even a

Medigap policy, it did not cover prescription drugs.

Because her mother's sole source of income was a monthly $800 Social Security check, Mary Lee and her family paid $4,500 a year in out-of-pocket expenses for prescription drugs -- an amount that would have -- if her mother had been alone, without a devoted daughter and family -- would have depleted half of her mother's yearly income. Mary Lee's mother passed away last November. But her valiant efforts to care for her mother, often under very difficult circumstances, are a vivid reminder of why we must act now to protect and preserve Medicare. I'd like to ask Mary Lee to stand up, because she is emblematic, and symbolic, of women throughout our country. (Applause.)

We owe Mary Lee and all of us the commitment that goes not only to our parents and our grandparents, but to those of us in this generation who are the caretakers who will soon begin to age, may become disabled or chronically ill ourselves. And we owe it to our children and eventually our children's children -- because if we don't invest in our nation's priorities and dedicate the necessary funds to save and modernize Medicare, countless women, like Mary Lee and all of us, and her mother and ours, will be at even greater risk than they are today.

If we don't save and modernize Medicare, then women will continue to struggle to pay for out-patient prescription drugs, and the problem will only get worse as medical advances increasingly rely on drug treatments that even today are beyond the means of most ordinary citizens. If we don't save and modernize Medicare, then women will continue to skip regular screenings and check-ups that would enhance the quality of their lives and reduce Medicare's long-term costs.

And perhaps most importantly, if we don't take advantage of this time of prosperity that we have worked so hard to achieve, then we will look back at our generation as having missed a unique opportunity to make responsible decisions and we will instead have run the risk of becoming a great burden to our own children that none of us ever wanted to be.

That's why I believe that to meet these critical challenges we must take a responsible and balanced approach to tax cuts. Only then will we be able to meet our obligations to America's elderly and disabled, and extend the life of the trust fund for the next quarter century. Only then will we be able to modernize the benefit package to include prescription drugs and preventive care, and support the teaching hospitals that are so critical to serving America's poor and elderly. And only then will we be able to sustain and expand the investments we are making now in our schools, in our environment, in our cities and our country that are so critical to our future prosperity.

So, as we continue to debate these critical issues, not only in the halls of Congress, but around our kitchen tables -- let's not forget the human dimension of what we stand for and we fight for, and what we are seeking to protect and support. Sometimes these debates have a way of making our eyes glaze over as hundreds of billions of dollars are talked about. So let's remember to keep a human face on this debate. (Applause.)

And I want to introduce someone who will add to our understanding and make sure we keep that human dimension, just as Mary Lee has, someone who knows firsthand the challenges of caring for an aging mother at a time when her own daughter had not even yet left home. She knows what's at stake for women in this debate over the future of Medicare. She also represents millions of women who would benefit if we act now to strengthen and modernize Medicare. So it is my great pleasure to introduce Judith Cato. (Applause.)

* * * * *

THE PRESIDENT: Well, I must say that Judith did such a good job, there's hardly anything left to say. (Laughter.) Thank you very much for being here, and we welcome your daughter here.

I want to thank Secretary Shalala, and acknowledge the presence in the audience of Deborah Briceland Betts, the Executive Director of the Older Women's League; the people here from the Henry Kaiser Family Foundation, and the other representatives of women's groups, senior women's groups, and Medicare advocates. Hillary and Secretary Shalala and I are delighted to welcome you to the White House today, and we thank you for your interest in this critical issue.

We are here to discuss what I have repeatedly called a high-class problem: the American people are living longer, especially women. And it is a high-class problem because we have this surplus today, and a projected surplus for several years into the future, which will enable us to deal with the challenge of people living longer and spending more money on Medicare, and then the retirement of the baby boomers, which will put additional pressure on Medicare and on Social Security.

It is a high-class problem, but we don't want it to turn into a nightmare because we walked away from it when we could have dealt with it and we had the money to deal with it -- when we had the time to deal with it, and we knew good and well we ought to deal with it. So, again I say I thank you for being here, and I hope today we can get out some information which will persuade the American people and members of the Congress that the approach I have recommended for the future is the right one.

For 34 years now, Medicare has protected the health of our seniors -- it has enriched the lives of the disabled, it has eased the financial burdens on families as they cared for their loved ones. For millions of American women, in particular, Medicare has been the lifeline to a dignified retirement.

As the report released today by the Older Women's League so clearly tells us, a strong and modern Medicare system is absolutely vital to the health and future of America's women. First it is critical because the majority of beneficiaries quite simply are women. Listen to this: 20 of the 34 million Americans currently enrolled in Medicare are women. I think we've got a chart that says that. But look here: 41 million -- 41 percent of the people in this country on Medicare over 65 are men; 59 percent are women.

And, of course, as time goes one, the percentages get better or worse, depending on the perspective. (Laughter.) Twenty-nine percent of the people over 85 are men, 71 percent are women; 17 percent of people over 100 are men, 83 percent are women. You may think those numbers are insubstantial, but Americans over 80 are the fastest growing population group in the United States, and I'm sure that most of us hope to be among them some day. So this is very important.

Second, without Medicare the doors to hospitals and doctor's offices to basic medical treatment and good health would actually be closed to millions of older women. Throughout their lives, women's incomes have always lagged behind those of men, a gap underscored in retirement through smaller pensions and Social Security checks. So even as they must make ends meet on smaller incomes, women must meet greater health care needs. Nearly three-fourths of older women have two or more chronic illnesses, compared to just 65 percent of older men. For these women, Medicare has truly meant the difference between a healthy retirement and one clouded by uncertainty, untreated illness and poverty.

Now, as you have just heard, the clock is ticking on Medicare's ability to meet the needs of our seniors in the next century. People living longer than ever, the retirement of the baby boom approaching, the Medicare trust fund will become insolvent by 2015. Now, you may think that's a good ways away, but let me tell you, when I took office, Medicare was supposed to become insolvent this year. And we took a lot of very strong steps to stop it from happening.

But we have taken all the easy steps, and some that, arguably, have gone too far. Everywhere I go, people say, you know, the therapy services have been cut back too much, or the inner-city hospitals with big teaching loads or the teaching hospitals generally -- not just in the big urban centers -- everywhere I go, people talk to me about this. So it should be obvious to everyone, there are no longer any easy ways to lengthen the life of the Medicare trust fund -- just as people are living longer and accessing it more. So that is problem one.

Problem two is that Medicare's benefits have not changed significantly since 1965, although the world of modern medicine has changed dramatically. There are some who really believe we can afford to put off this until later. I disagree. To them I say, listen to Judith Cato's story. Like millions of women in the same situation, affording prescription drugs for herself is right around the corner, and for her mother is today.

The typical 65-year-old woman retiring this year can expect to live to be 84. That's 19 more years of retirement. But if we don't act soon, the Medicare trust fund will expire in 16 years. Over the past six and a half years, we have managed to transform an economy burden by an unconscionable deficit of $290 billion to an economy that today is the picture of fiscal health, with a surplus of $99 billion and a large projected surplus over the net decade. We've done this by balancing the budget, cutting unnecessary spending, expanding our investments in education and training, expanding our trade abroad; all of it bringing interest rates down and getting investment up and giving us a remarkable period of economic growth -- the longest peacetime expansion in our history; nearly 19 million new jobs and the lowest minority unemployment and the highest home ownership ever recorded.

The question is, what are we doing to do with this? We know what one plan is -- you have talked about it. The majority in Congress say, well, let's approve a big tax cut now and worry about Medicare and extending the life of the Social Security trust fund, scheduled to run out of money in a little more than 30 years -- let's worry about that later.

One of my bright staff members said, it's kind of like a family sitting around the kitchen table saying, you know, we have always wanted to plan a really fancy vacation to Europe -- let's just do it and blow the works, and when we get home, we'll figure out whether we can pay the mortgage, the car payment and send the kids to college. (Laughter.)

You're laughing, but you know, it's not just a question of the size of the tax cut. Why are we even discussing it before we decide what it takes to save and strengthen Medicare, and what it takes to save Social Security, and what we have to invest in the education of our children, the defense of our nation, the protection of our environment. Why don't we ask ourselves what it is we have to do before we ask ourselves what it is we would like to do?

Now, so what do I think we have to do? Here's what I think we should do. I think, first of all, my plan would secure Medicare by dedicating over $320 billion of our budget surplus for 10 years, to extend the life of the trust fund from 2015 to 2027. That would be the longest projected life we've had on the trust fund in many years. But we have not been this financially healthy in many years, nor have we faced the challenge of so many people retiring and living so long ever before. So we need to know it's going to be all right for a good while.

Secondly, we will introduce more modern mechanisms of competition to improve quality, but to control costs as well as we can, as private sector innovations have done. We will give seniors the chance to choose between lower-cost Medicare managed-care plans and the traditional program, but we will not support changes that would force them to move from one to the other.

I also believe it's important to modernize benefits and, over the long run, the economical thing to do. Over the last 30 years, a medical revolution has transformed health care, and in many cases prescription drugs now supplant what used to be routinely dealt with with surgeries. They have lengthened and improved the quality of life.

As the Older Women's League study shows, women have borne the greatest cost of this pharmaceutical revolution. According to the next chart, women spend $1,200 a year on prescription drugs, on average -- about 20 percent more than men. Now, as you have already heard, our plan will help seniors to afford the prescription drugs that have become essential to modern medicine. The plan is completely voluntary, but available to all Medicare beneficiaries.

This is a challenge, I might add, not just for poor women. It is also a challenge for middle-class women as well. Look at the next chart. Half of all middle-class women -- that is, for seniors, those who make at least $12,700 a year or, with couples, $17,000 a year -- have no prescription drug coverage at all. So among those who have no coverage, a quarter are below the poverty line, a quarter are between 100 and 150 percent of poverty, half are over 150 percent of the poverty line -- although, if your drug bills are big enough, it doesn't take long to get down below the poverty line again.

Women who have tried to buy extra coverage through private Medigap policies have to cope with escalating premiums as they get older. That's one of the great ironies of these Medigap policies that -- I keep hearing about, you know, we don't really need this because of Medigap. They get more and more and more expensive as you get older and older and older and less and less and less able to come up with the money to pay for them.

Now, I think anybody that says we don't need to do this is out of touch with people's real lives and out of date. I'd also like to point out that our plan would eliminate the last barrier between seniors and preventive screenings -- tests for breast cancer, colon cancer, prostate cancer, diabetes and osteoporosis -- that can help save their lives. For too many seniors on fixes incomes, especially low-income women, the cost of the modest co-payment is prohibitive. Last year, for example -- listen to this -- just one in seven women took advantage of the mammograms covered by Medicare.

So what we want to do is to eliminate the deductible and the co-payments for the preventive screenings -- (applause) -- and we pay for it by introducing a modest co-pay on lab tests that are frequently overused, ones that have been identified, and by indexing to inflation the modest Part B premium, which will be much less burdensome because it's more broadly spread in a smaller amount of money. But the people who need these preventive screenings, this will save lives.

Consider the irony of this. Every condition I just outlined, we pay for the doctor benefits, we pay for the hospital benefits, but we don't want to let people get the preventive screenings that will keep them from spending that money in the first place -- keep them healthy and keep them alive. This is a good thing to do.

Now, this is a good plan. It is a responsible plan. And it is important that we deal with the Medicare challenge now, while we have the funds and the prosperity to do so. I have proposed to dedicate the Social Security portion of the surplus to Social Security, but also to lengthen the life of the trust fund by taking the interest savings we'll have, because this will allow us to pay the debt down, and putting it into the Social Security trust fund, so it will last longer. So we'll have at least over 50 years of life on the Social Security trust fund. (Applause.)

And as I said, I proposed to put over $320 million in Medicare. There's not a single expert on this program who believes that we can stabilize the fund and lengthen the life of it and deal with the coming demographic challenges without more money. No one who has looked into this believes it. And I think this is very, very important, because if the tax cut being pushed by the congressional majority, which includes vast benefits for people in my income group and higher -- who have done quite well in the stock market, thank you very much -- (laughter) -- and are not clamoring for it, and are worried that it will destabilize the economy -- even today, there are stories in the paper that if we have a big tax cut, with the economy growing as fast as it is, it might stimulate inflation, which would cause increases in interest rates, which would take away all the economic benefits of the tax cuts in higher interest rates.

So I say to you, I do not believe that is the wise thing to do. I think first we should say, let's save Social Security and Medicare; let's add this responsible prescription drug benefit; let's decide the commitments that we ought to make -- to give our children good education, to keep our streets safe, to biomedical research, to national defense, to the environment -- and then let's decide what we can afford in a tax cut. Let's do first things first.

In addition, another benefit of my plan not present in any other one is that if my proposal were to pass the Congress, in about 15 years we would actually be out of debt as a nation, for the first time since 1835. (Applause.)

Now, the significance of that for older Americans is quite important. Why? Because if we are out of debt, it means we will have long-term prosperity, lower interest rates -- which means lower costs for business borrowing, more investment, more jobs, higher incomes, and for families, lower home mortgages, car payments, credit card payments and college loan payments. That amounts to a very big tax cut over 10 or 15 years, getting this country out of debt, making us less vulnerable to the vagaries of the international financial system, securing the long-term economic stability for the young people here in the audience and throughout our country.

Believe it or not, we can do all that and still have a fairly sizable tax cut. I propose to let people use it for retirement savings, for long-term care, for child care. But the point I want to make today is not so much what we spend it on, but how much it can be, and in what order we are doing this. We did not get to this moment of prosperity by figuring out how to eat our cake, and then looking around for the vegetables. (Laughter.) That's not how we got here. We got here -- and a lot of members of Congress lost their jobs over it because we took the tough decisions in 1993 to get the deficit down, to bring interest rates down, and to do it without having to give up on obligations to education and to our other important national priorities.

So here we are with this opportunity of a lifetime to deal with this, and I think we ought to do it. Now, I regret that, as all of you know, the congressional majority appears to have a different philosophy. Look what happened -- last week, in the House of

Representatives, they passed an irresponsible tax bill that would spend our surplus, it wouldn't devote a dime -- not a dime -- not one dime to extending the solvency of Medicare. And interestingly enough, these tax cuts are worded so that they won't go into full effect until the year 2010, just when the baby boomers start to retire. And in the second 10 years, they'll cost way over twice as much as they did in the first 10 years.

Now -- so the whole impact of them will hit us right between the eyes as the baby boomers retire, Medicare nears insolvency, Social Security starts to show strains.

This week, the Senate is going to take up a similar bill. They also, I might say, as all the analysis -- I don't know if you've had -- I don't want to take time today to do this, but if you haven't seen the analysis of the bills, you ought to, because they're standing up there saying if we don't give this money back to you -- "they" -- i.e., me and my allies in Congress -- will spend it on "their" friends.

Well, Judith is my friend. (Laughter and applause.) It sounds so great: "we want to give it back to you, they're going to spend it on their friends." We want to spend it on saving Social Security and Medicare, educating our children, paying down the national debt and getting us out of debt, to help our friends, the American people.

They tickle me, you know, these guys. They were fighting the patients' bill of rights several days ago and they said, oh, these Democrats, all they do is stand up and tell stories, we're talking about something besides stories. Well, I don't know about you, but the older I get the more it seems to me like life is just a collection of stories. (Laughter.) And people are pretty important -- a lot more important than statistics.

And I'm telling you, I've been at this business a long time. This country may never have an opportunity like this. And they're spending it on their friends. (Laughter and applause.) And, ironically, their friends are better off under our plan because the stock market has more than tripled -- their friends have done very well under our plan. We have had an economic policy that has been non-discriminatory, benefitting Republicans and Democrats, alike. (Laughter.)

Look, today I want you to read the papers today. They point out that the Congress, the majority, has begun resorting now to accounting gimmicks, because they've approved such a big tax cut they can't meet the fundamental obligations of government without beginning, right now, to spend the surplus. And they don't want to acknowledge that, so they've resorted to accounting gimmicks to disguise the fact that they're dipping into the surplus. They can't live within the budget limits we set in 1997 -- I told you, we all know we cut Medicare too much in '97; we're going to have to fix it. A lot of you know it. A lot of you deal with these programs and these health care providers.

But they want to give the illusion they're living within the budget limits, nothing has to be done, and they can have this tax cut. I'm telling you what's going to happen. If this tax cut were to become law, it would mean huge cuts in education, huge cuts in the environment, huge cuts in medical research, huge cuts in health care, and huge cuts in national defense -- or, if they didn't do that, we would see -- balloon the deficit again, just like we did in the 12 years before I took office, when the national debt quadrupled.

We tried it that way; it didn't work very well. Why are we going down the same road we tried before, when we have a road that we have tried for six and a half years that has brought us to this point? Why would we reverse course instead of building on what we've done and going beyond it? It is a big mistake, and it's wrong. It's not just wrong for the seniors. It's not just wrong for the women of this country. It's wrong for all Americans. It is not the right thing to do.

Now, it also -- it will take away the single best opportunity any of us will ever have in our lifetimes to save Social Security for the baby boomers, to save and strengthen Medicare, and to get us out of debt for the first time since 1835 -- to give the young people in this room a chance at a generation of prosperity. And I don't believe any thinking person, once they understand what the real numbers are -- let's get out of the rhetoric here, who's going to give it to whose friends and all that. What are the numbers? This is an arithmetic problem.

You know, I told people when I got elected President -- I'd come from a state with fairly straightforward values and ways of doing things, and I thought we ought to have a radical new idea in Washington -- we'd bring basic arithmetic back to the budget. (Laughter.) And basic arithmetic has worked pretty well. This doesn't add up.

And so I ask you to help me send the word to the Congress that let's do first things first. Let's fix Medicare. The women of America especially need it. (Applause.)

You know, we have to work together. Every time we get in one of these fights people throw their hands up. But there's normally a process that goes on here. When we were doing welfare reform I vetoed two bills because it took away the mandate of health care and nutrition for children. We finally got a welfare reform that I thought was right, it carried by big majorities in both parties, in both Houses -- we have the lowest welfare rolls in 30 years. And we did it in an election year.

Then the next year we did the Balanced Budget Act and it has worked superbly. The only problem with it is that the Medicare cuts were too burdensome on certain groups, and we're trying to fix that. But I can tell you that if this tax cut passes there will be breathtaking cuts in every area of our national life that you would believe is important, over and above what it would do to totally rob us of any chance to stabilize and improve Medicare and save it for the baby boom generation.

We have big tests as a country: How are we going to deal with the aging of America? How are we going to give all of our kids a world-class education, especially since more and more of them come from families whose first language is not English? Those of us who expect to be alive in 20 years, or hope to be, better hope we do a good job of educating those kids.

How are we going to deal with all these other challenges? How are we going to bring economic opportunity to people who still haven't felt it? How are we going to stabilize the economy so that we'll still be growing even better 10, 15, 20 years from now? These are big challenges. But they are high-class problems in the sense that nations rarely get these opportunities. Once in a lifetime you get a chance to stand up with your country in good shape, bring people together, look down the road and say, yes, these are big challenges and we're going to check them off -- one, two, three, four -- because we have the money and the vision to deal with them.

So my appeal today is that we not get into a big fight, we just go back to basic arithmetic. These tax bills the majority is pushing could not get the support of their own members if we had a chart up on the wall that says, here is what we have to spend just to stay where we are today in education, defense, the environment, medical research; here's what every expert says it takes to stabilize Medicare; here is the interest savings you ought to be putting into the Social Security trust fund; here is what we have to do to fix health care. They agree we have to do some more for veterans care. They agree with these things -- the numbers don't add up. We cannot take the vacation without paying the home mortgage, the car payment, and the college loan bill. We can't do it. We can't eat the cake until the vegetables and the soup are out of the way. And we cannot defy the basic laws of arithmetic.

And contrary to some of the debate, we cannot forget the stories. This is about how millions upon millions upon millions of Americans will live. Will they live in dignity and health, or will they live in want and insecurity, imposing unconscionable burdens on their children, and limiting their children's ability to raise their grandchildren?

Or will we use this moment to build a more prosperous, more just, more decent society? This is about way more than drugs and trips to the doctor. This is about what kind of people we are and whether we can look beyond today to the tomorrow we all want for all of us.

Thank you. (Applause.)

END 11:06 A.M. EDT

Message Sent To:__________________________________________________

FIRST LADY HILLARY RODHAM CLINTON
SOCIAL SECURITY EVENT
THE WHITE HOUSE
FEBRUARY 17, 1999

Good afternoon. It's a pleasure to join the President in welcoming all of you to the White House. I'm glad that Secretary Rubin; Social Security Commissioner Apfel; and Secretary Shalala are here -- along with Janet Yellen, Jack Lew, and Gene Sperling. I'm pleased we have Senator Robb; Congresswoman Baldwin, and other elected officials, as well as national leaders -- like Jesse Jackson. We've all come together today to talk about one of the most critical challenges of our time: preserving and strengthening Social Security for future generations. And I'm especially pleased that so many young people have joined us -- and that we will be hearing from one of them -- Sharon Bridgner -- later on in the program.

# Withdrawal/Redaction Marker
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**Freedom of Information Act - [5 U.S.C. 552(b)]**

**b(1)** National security classified information [(b)(1) of the FOIA]
**b(2)** Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
**b(3)** Release would violate a Federal statute [(b)(3) of the FOIA]
**b(4)** Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
**b(6)** Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
**b(7)** Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
**b(8)** Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
**b(9)** Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

This may not be the usual audience for a White House event. But I believe there is no more important group to be engaged in this discussion about the future than America's young people. That's why we invited students from a youth leadership academy at the University of Maryland — to walk in with us today, and be part of this event. We've also invited young leaders from across the country to join us here at the White House -- or via satellite. There are downlinks ~~to~~ over 40 campuses nationwide — from Oregon to Ohio to Florida. I'm so pleased to welcome all of you.

Like many of you, I remember the day I received my Social Security card as a teenager, when I got my first job. Back then, I only vaguely understood that Social Security was a program my grandparents and many others depended upon as they retired and grew old. Today, we know that more and more citizens -- particularly young people -- are questioning whether this once rock-solid guarantee of lifetime benefits will be there for them when they retire.

That's why the President has proposed a bold new framework to preserve Social Security for generations to come. And why we must all take part in this national debate. The majority of Social Security recipients are the elderly, but they are by no means the only ones who rely on it. Nearly one third of the beneficiaries are either disabled or survivors — or their dependents. And almost four million are young people. Social Security in a very real sense is America's family protection program. Young or old, we all have a stake in its future.

Unfortunately, anyone's life can change overnight. But Social Security gives people the support they need to pick up the pieces, and move on.

[001]

I've heard about (b)(6), a young girl from Oklahoma, who lost her mother when she was only 15 years old. Social Security enabled her to survive that difficult time -- and she's now thriving in college.

(b)(6) a young husband and father from here in DC, was struck by a stray bullet -- leaving him a quadriplegic. But thanks to what (b)(6) calls "a family program for all ages" -- Social Security is helping to take care of his children and support his mother -- who he lives with.

Many of our citizens are especially reliant on Social Security -- particularly women and minorities. We know that without Social Security, nearly two thirds of elderly Hispanic Americans and African Americans would be living in poverty.

Young women have a strong stake in preserving Social Security as well. Without it -- every other elderly woman we see on the street, or in the market, or at church or synagogue -- would be living in poverty. Women make up the majority of Social Security recipients -- and for a quarter of America's elderly women -- that monthly check is their sole income.

We also rely on Social Security because of the unique patterns in our lives. Women live longer than men. And while we're making progress -- women still have lower lifetime earnings, and reach retirement with smaller pensions and fewer assets. Social Security provides special benefits that help elderly women -- but the President is concerned that older women are still twice as likely to be poor than older men. My husband is committed to changing that cruel reality.

So we all have a stake. As Jesse Jackson has said -- "Americans have made it clear that they want Social Security saved -- not savaged."

If we want to preserve and strengthen Social Security well into the 21st century; if we want to further reduce elderly poverty; if we want to take advantage of this robust economy to strengthen our society for years to come; and if we don't want to burden our children and grandchildren -- then we must make bold decisions now to preserve Social Security. But we must also preserve Medicare. Making sure Medicare is always there for future generations must be at the top of our nation's agenda as well. Health security and retirement security must go hand in hand.

These are tough issues. And in order to address them -- we need to hear from everyone -- particularly the voices of the young people here in this room and around the country. It's often easier to be cynical -- and to stay disengaged. But I've been on many college campuses, and time and time again, I've seen how America's young people can defy conventional wisdom by getting involved and finding solutions to problems that face us all.

We need your voices now. So I urge all of you to continue to educate yourselves about Social Security. Debate the issues. Share your concerns with each other. Get organized. These decisions are far too important for any of us -- particularly our young people -- to stay on the sidelines.

It's my great pleasure to introduce to you now a man who has worked tirelessly to ensure that all of us -- and generations to come -- have a brighter future: our Commissioner of Social Security, Ken Apfel.

FIRST LADY HILLARY RODHAM CLINTON

WOMEN'S MEDICARE EVENT

THE WHITE HOUSE

JULY 27, 1999

Thank you, Secretary Shalala. Good morning, and welcome to the White House. I want to thank all of you for being here – as we come together to talk about one of the most urgent challenges our nation faces today: saving and preserving Medicare.

I want to acknowledge the many people here today who have done so much over the years to help us meet our obligations to each other, and to the next generation: members of the Older Women's League; the American Association of University Women, and those of you who represent women's and seniors groups and Medicare advocates across the country.

We've all come here this morning because our nation is engaged in a critical debate about America's future. We're living in a time of great prosperity – and of almost unparalleled opportunities for progress for all Americans. And we should all take pride in what we have been able to accomplish together over the past six and a half years. But the question before us now is how do we take advantage of this historic opportunity to take on some of the tough challenges that lie ahead? How do we strengthen -- rather than weaken -- our fundamental commitments not only to our parents and grand parents – but to future generations as well?

One of the most critical challenges facing America today – and an issue that touches all of us – is the urgent need to protect and preserve Medicare. Unless we act now – current projections say the Medicare Trust Fund will be insolvent in 2015. While this is a major concern for all Americans, we're here today to spotlight those who have the greatest stake in a strong and healthy Medicare program: America's women.

As the Henry Kaiser Family Foundation and OWL have reminded us again and again, women simply live longer than men. And while that means we have more years to cherish our mothers and grandmothers, it also means they are more likely to suffer from multiple and chronic illnesses, and have greater long term needs. Four out of five of America's elderly women are widowed – and almost half live out their days alone. And not surprisingly, elderly women are much more likely to be poor. Nearly seven in 10 Medicare beneficiaries living in poverty are women.

For all of these reasons – further supported by new data that the President will talk about in a few minutes -- women rely on Medicare more than men, and are more vulnerable to changes in its policies.

Over the past six years – and as recently as a few weeks ago – I've spoken with women around the country about their concerns about the future. Women living alone, who worry about who's going to care for them when they can no longer live independently. Women with limited incomes, who are struggling to pay for their prescription drugs, or who don't think they can afford to go to regular check ups or screening tests for osteoporosis or breast cancer. Women who are taking care of their aging or disabled parents, and who rely on Medicare to help them meet these new family responsibilities.

I'm sure that each one of us here today has similar stories to tell. We have with us today a devoted daughter – Mary Lee Di Spirito – whose mother came to live with her in Virginia after her father died. As her mother became increasingly frail, Mary Lee stopped working -- to care for her mother full time. Like so many elderly women today, Mary Lee's mother suffered from multiple health problems. And while she had a Medicare and Medigap policy – it didn't cover prescription drugs. Because her mother's sole source of income was a monthly $800 Social Security check – Mary Lee and her family paid $4500 a year – in out of pocket expenses for prescription drugs. An amount that would have depleted half of her mother's yearly income.

Mary Lee's mother passed away last November. But her valiant efforts to care for her mother – often under very difficult circumstances – are a vivid reminder of why we must act now to protect and preserve Medicare.

And we must make that commitment not only to our own parents and grandparents – but to those in this generation who have been their caretakers – and who will soon begin to age, or become disabled, themselves.

Because if we don't invest in our nation's priorities – and dedicate the necessary funds to save and modernize Medicare – then women like Mary Lee and her mother will be at even greater risk than they are today. If we don't save and modernize Medicare – then women will continue to struggle to pay for outpatient prescription drugs. And that problem will only get worse -- as medical advances increasingly rely on drug treatments that even today are beyond the means of most ordinary citizens. If we don't save and modernize Medicare – then women will continue to skip regular screenings and check ups that would enhance their quality of life and reduce Medicare's long-term costs.

And perhaps most importantly, if we don't take advantage of this time of prosperity that we have worked so hard to achieve – then we will look back at our generation as having missed a unique opportunity to make responsible decisions – and will instead have run the risk of becoming the burden to our own children that we never wanted to be.

That's why I believe that to meet these critical challenges, we must take a responsible and balanced approach to tax cuts. Only then will we be able to meet our obligations to America's elderly and disabled, and extend the life of the Trust Fund for the next quarter century. Only then will we be able to modernize the benefit package to include prescription drugs and preventive care; and support our teaching hospitals that are so critical to serving America's poor and elderly. And only then will we be able to sustain and expand the investments we are making now – in our schools, in our environment, in our cities -- that are so vital to our nation's future prosperity.

As we continue to debate these critical issues in the halls of Congress – and around our kitchen tables – let's never forget the human dimension of what we stand for, and what we fight for, and who we're seeking to protect and support.

I want to introduce someone who knows first hand the challenges of caring for an aging mother – at a time when her daughter hadn't yet left home. She knows what's at stake for women in this debate over the future of Medicare. She also represents the millions of women who would benefit if we act now to strengthen and modernize Medicare. It is my pleasure to introduce to you Judith Cato.

# FIRST LADY HILLARY RODHAM CLINTON

# AMERICANS DISCUSS SOCIAL SECURITY

# TELECONFERENCE

# WASHINGTON, D.C.

# JANUARY 23, 1999

THANK YOU, REBECCA, FOR THOSE WORDS. I WANT TO ALSO THANK CAROLYN LUKENSMEYER AND "AMERICANS DISCUSS SOCIAL SECURITY," AND THE PEW CHARITABLE TRUST, FOR ENGAGING SO MANY CITIZENS FROM AROUND THE COUNTRY IN THIS NATIONAL CONVERSATION.

I'M GLAD WE OPENED THIS EVENT WITH THE VIDEO OF WOMEN FROM ALL WALKS OF LIFE TALKING ABOUT THEIR CONCERNS, FEARS, AND HOPES ABOUT THE FUTURE OF SOCIAL SECURITY. BECAUSE THAT'S EXACTLY WHY WE'RE HERE TODAY. TO TALK, AND LISTEN, AND LEARN.

SOCIAL SECURITY IS PERHAPS THE MOST IMPORTANT ISSUE FACING WOMEN IN AMERICA TODAY. YET MANY OF US ARE JUST BEGINNING TO GET INVOLVED IN THIS DEBATE -- AND JUST STARTING TO LEARN ABOUT HOW SOCIAL SECURITY AFFECTS US AS WOMEN.

WE ALL HAVE A LOT OF QUESTIONS AND CONCERNS. AND THAT'S WHY FORUMS LIKE THIS ONE ARE SO VALUABLE.

LIKE MOST PEOPLE, I HAVE HEARD ABOUT SOCIAL SECURITY ALL OF MY LIFE, AND I'VE SEEN HOW IT SERVES AS A LIFELINE FOR OUR PARENTS AND GRANDPARENTS, AS THEY RETIRE AND GROW OLDER. FOR GENERATIONS, SOCIAL SECURITY HAS BEEN A ROCK SOLID GUARANTEE OF LIFETIME BENEFITS. IT'S BEEN OUR NATION'S HISTORIC COMMITMENT TO ENSURING AMERICANS CAN GROW OLD WITH DIGNITY.

BUT THE MORE I'VE LEARNED ABOUT SOCIAL SECURITY, THE MORE I UNDERSTAND WHAT A CRITICAL ROLE IT PLAYS IN ALL OF OUR LIVES -- WHETHER WE'RE YOUNG OR OLD, WORKING OR DISABLED. THE MAJORITY OF THOSE RECEIVING SOCIAL SECURITY BENEFITS ARE THE ELDERLY. BUT SOCIAL SECURITY IS MORE THAN A RETIREMENT SYSTEM. NEARLY A THIRD OF ITS BENEFICIARIES ARE EITHER DISABLED OR SURVIVORS -- OR THEIR DEPENDENTS. AND ALMOST 4 MILLION ARE YOUNG PEOPLE. **SOCIAL SECURITY -- IN A VERY REAL SENSE -- IS AMERICA'S FAMILY PROTECTION SYSTEM.**

UNFORTUNATELY, OUR LIVES CAN CHANGE OVERNIGHT. LET ME TELL YOU ABOUT SOME OF THE STORIES I'VE HEARD. A YOUNG MAN FROM MIAMI HAD AN INCAPACITATING STROKE IN HIS EARLY 30S — LEAVING HIS WIFE AND FOUR KIDS TO HAVE TO FEND FOR THEMSELVES. BUT SOCIAL SECURITY PROVIDED DISABILITY INSURANCE FOR THE CHILDREN — ENABLING THEM TO GROW UP HEALTHY AND CARED FOR. A YOUNG GIRL IN OKLAHOMA LOST HER MOTHER WHEN SHE WAS ONLY 15 YEARS OLD. SOCIAL SECURITY ENABLED HER TO CONTINUE ON TO COLLEGE — WHERE SHE'S NOW A SOPHOMORE MAJORING IN PSYCHOLOGY. A RETIRED CAFETERIA WORKER FROM TENNESSEE LOST HER HUSBAND EIGHT YEARS AGO. HER BENEFITS WERE REPLACED BY HIS — AND SHE NOW LIVES A COMFORTABLE LIFE.

WE NEVER KNOW WHEN SOMETHING CATASTROPHIC WILL HAPPEN. AS MY MOTHER ALWAYS SAYS -- BUT FOR THE GRACE OF GOD GO ANY OF US. BUT TODAY -- WE DO KNOW WE CAN COUNT ON SOCIAL SECURITY TO HELP HOLD OUR FAMILIES TOGETHER, AND PROTECT US AGAINST THE UNEXPECTED.

AT THIS CONFERENCE, WE WILL LEARN MORE ABOUT HOW WOMEN IN PARTICULAR ARE AFFECTED BY SOCIAL SECURITY, AND HOW WE HAVE A PARTICULAR STAKE IN ITS FUTURE. WOMEN REPRESENT THE MAJORITY OF ALL AGED RECIPIENTS. WITHOUT IT -- THE POVERTY RATE AMONG ELDERLY WOMEN WOULD BE MORE THAN HALF. JUST THINK ABOUT WHAT THAT MEANS.

WITHOUT SOCIAL SECURITY -- ONE OF EVERY TWO OLDER WOMEN WOULD LIVE BELOW THE POVERTY LINE. AND FOR A QUARTER OF OUR OLDER WOMEN -- SOCIAL SECURITY IS THE ONLY INCOME THEY RECEIVE. IT'S ALL THAT STANDS BETWEEN THEM AND THE RAVAGES OF POVERTY.

AS WOMEN, WE ALSO RELY ON SOCIAL SECURITY BECAUSE OF OUR UNIQUE LIFE PATTERNS. WE LIVE LONGER THAN MEN. AND, WHILE WE'RE MAKING PROGRESS, WE STILL HAVE LOWER LIFETIME EARNINGS, AND REACH RETIREMENT WITH SMALLER PENSIONS AND OTHER ASSETS.

OUR MISSION TODAY IS NOT ONLY TO EDUCATE OURSELVES ABOUT THE VALUES AND BENEFITS OF SOCIAL SECURITY -- BUT TO TALK ABOUT WAYS OF ENSURING THAT IT WILL BE PRESERVED FOR FUTURE GENERATIONS. AS MY HUSBAND EXPLAINED IN HIS STATE OF THE UNION ADDRESS JUST A FEW DAYS AGO -- BOLD STEPS MUST BE TAKEN NOW TO MAKE SURE SOCIAL SECURITY REMAINS SOLVENT WELL INTO THE 21ST CENTURY.

THE QUESTION IS: HOW SHOULD WE RESPOND TO THIS HISTORIC CHALLENGE? AS MANY OF YOU KNOW, THE PRESIDENT HAS PUT FORWARD A FRAMEWORK TO SAVE SOCIAL SECURITY.

HE BELIEVES THAT THE BEST WAY TO KEEP SOCIAL SECURITY A ROCK SOLID GUARANTEE IS TO AVOID DRASTIC CUTS IN BENEFITS, NOT RAISE PAYROLL TAX RATES, AND NOT DRAIN RESOURCES FROM THE SYSTEM IN THE NAME OF SAVING IT. HE'S PROPOSING INSTEAD TO COMMIT 62% OF THE BUDGET SURPLUS FOR THE NEXT 15 YEARS TO SAVE SOCIAL SECURITY -- AND TO INVEST A SMALL PORTION IN THE PRIVATE SECTOR TO EARN A HIGHER RETURN.

I'M PLEASED THAT REPUBLICAN LEADERS HAVE EMBRACED THE PRESIDENT'S CALL TO RESERVE 62% OF THE BUDGET SURPLUS FOR SOCIAL SECURITY -- AS WE TOGETHER DEVISE A PLAN TO SAVE AND STRENGTHEN THIS CRITICAL PROGRAM.

BUT IT'S CRITICAL THAT DEMOCRATS AND REPUBLICANS ALIKE ANSWER THE PRESIDENT'S CHALLENGE TO PRESERVE ENOUGH OF THE SURPLUS TO PROTECT MEDICARE INTO THE NEXT CENTURY. HEALTH SECURITY AND RETIREMENT SECURITY SHOULD GO HAND IN HAND.

WHILE WE MUST PROTECT THE SPECIAL PROVISIONS IN SOCIAL SECURITY THAT ARE PARTICULARLY BENEFICIAL TO WOMEN, THE PRESIDENT ALSO RECOGNIZES THERE IS EVEN MORE WE CAN DO. THERE ARE INEQUITIES IN THE SYSTEM THAT CAN BE FIXED. I WANT TO UNDERSCORE HIS COMMITMENT TO REDUCING POVERTY AMONG ELDERLY WOMEN -- WHO ARE STILL NEARLY TWICE AS LIKELY TO BE POOR AS OTHER SENIORS.

THE PRESIDENT ALSO BELIEVES THAT ONCE WE'VE SAVED SOCIAL SECURITY AND MEDICARE, WE SHOULD CREATE UNIVERERSAL SAVINGS ACCOUNTS TO GIVE WORKING FAMILIES TAX RELIEF FOR THEIR RETIREMENT SAVINGS. HE BELIEVES THAT WE CAN HELP ALL AMERICANS -- EPSECIALLY THOSE WITH LOWER INCOMES -- SAVE AND INVEST THEIR EARNINGS TO BUILD A NEST EGG FOR THEIR RETIREMENT.

THE DIFFENCE BETWEEN THE PRESIDENT'S AND OTHERS' PROPOSALS IS THAT THE PRESIDENT BELIEVES WE CAN EMPOWER AMERICANS TO SAVE -- WITHOUT CREATING RISKY AND UNTESTED INDIVIDUAL ACCOUNTS WITHIN SOCIAL SECURITY.

CLEARLY THESE ISSUES ARE FAR TOO IMPORTANT FOR ANY OF US TO STAY ON THE SIDELINES. WOMEN MUST BE AN INTEGRAL PART OF THE PUBLIC DEBATE ABOUT THE FUTURE OF SOCIAL SECURITY. IF WE WANT TO SAVE SOCIAL SECURITY AS A FAMILY PROTECTION WE CAN COUNT ON INTO THE NEXT MILLENNIUM, OUR VOICES MUST BE HEARD -- IN TOWN HALLS, AND IN THE HALLS OF CONGRESS.

TODAY, I URGE ALL OF YOU TO STAY INVOLVED AFTER THE CONFERENCE. KEEP THIS NATIONAL CONVERSATION GOING -- BY ENCOURAGING DISCUSSIONS IN YOUR HOMES, WORKPLACES, AND CHURCHES. ABOVE ALL, WE MUST CONTINUE TO EDUCATE OURSELVES -- SO WE CAN ACHIEVE SOCIAL SECURITY REFORMS THAT MOST BENEFIT WOMEN AND ALL OUR FELLOW CITIZENS.

I REGRET I WON'T BE ABLE TO BE WITH YOU FOR THIS ENTIRE CONFERENCE. BUT I'M PLEASED THAT A MEMBER OF THE SOCIAL SECURITY ADMINISTRATION WILL BE HERE TO ANSWER YOUR QUESTIONS. AND I LOOK FORWARD TO HEARING YOUR REPORTS AND IDEAS. YOUR VOICES MATTER. AND WE'RE VERY GRATEFUL FOR THE TIME YOU ARE TAKING TODAY.

THANK YOU VERY MUCH.

# TALKING IT OVER

## HILLARY RODHAM CLINTON

January 20, 1999

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Molly Lozoff of Miami, Fla., is a retired real estate broker. When she was 35, her husband suffered an incapacitating stroke that left him unable to speak. It was then this mother of four discovered that Social Security was there to provide disability benefits for her and for her children. Molly is now 77, and once again, she has been able to turn to Social Security for support.

Molly's story reminds us that Social Security is not just a retirement program. Many of us don't realize that Social Security protects us in the event that a spouse or parent becomes disabled.

Her story also reminds us of another critical issue: just how important Social Security is for women. Most women earn less than men, and many do not receive private pensions. Women are more likely than men to work part time, to spend some time out of the labor force and to live alone in their retirement years. And, on average, women live longer than men.

For these reasons, women make up more than half of all the elderly recipients of Social Security -- 72 percent of those over the age of 85. For many women, Social Security is literally all that stands between them and poverty.

This week, in his State of the Union address, the President offered a bold framework to help save Social Security. He proposed committing 60 percent of the budget surplus to Social Security and investing a small portion in the private sector in order to earn a higher return for all of us.

Social Security has often been called the "third rail of politics" -- the issue that every politician is afraid to touch. I am proud that my husband has stepped up to the plate and demanded an end to this head-in-the-sand approach. And I am pleased that he made the point Tuesday night of reminding our lawmakers that they must also work together to reduce poverty among elderly women.

As all of us who are aging know, health-care security can be just as important as retirement security, which is why the President also announced a plan to strengthen Medicare.

This week's State of the Union address was my husband's seventh and the last of the 20th century. As such, it offered him a unique opportunity not only to assess where we stand as a nation but also to chart a strong and sure course for the next generation.

My husband took office at a time when America's economy was troubled, the deficit was high, and citizens feared for their safety. Today, we can all feel pride in our country and confidence in our future.

We are in the midst of the longest peacetime economic expansion in our history. For the first time in three decades, the budget is balanced. Violent crime is dropping, and our environment is the cleanest it's been in a quarter century.

Now, though, is not the time to be complacent.

To strengthen our families for the 21st century, saving Social Security will be our first priority. But there are many other challenges as well.

For six years, this President has kept his eyes on the goal of helping America's families who every day do their best to balance the demands of work and home. To further that goal, this week, he called on Congress to increase the minimum wage and to expand the Family and Medical Leave Act to benefit 10 million Americans who work for smaller companies.

More than ever, men and women feel pressed to meet their obligations as workers and their responsibilities as parents. So, the President also laid out a bold agenda to improve child care, expand after-school programs, and provide a new tax credit for stay-at-home parents. He announced a plan to make America's schools the best in the world. He proposed the extension of health insurance to millions who can't afford it. And he urged passage of the Patient's Bill of Rights and action to protect our children from handgun violence and the dangers of tobacco.

When Molly Lozoff visited the White House last October for a roundtable discussion on women and pensions, she said, "I am so proud we have a President who feels a tug on his heart for our plight -- the plight of the elderly." This President is determined that America begin its journey into the next century with every American family solidly on board.



**Talking it Over**

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# TALKING IT OVER

## HILLARY RODHAM CLINTON

February 3, 1999

News that the President's budget for the year 2000 is 2,592 pages long is enough to make most people's eyes glaze over. No matter how complicated it may appear, though, it provides a critical blueprint for the future, laying out his priorities for the country in the starkest of terms -- numbers that add up to a balanced budget.

Six years ago, when my husband took office, analysts projected a $404 billion deficit for fiscal year 2000. Instead, thanks to fiscal responsibility, strategic investments, the hard work of millions of Americans and the President's leadership, we now anticipate a $79 billion surplus.

What you will read and hear about in the President's budget are the big items -- saving Social Security, guaranteeing the soundness of Medicare, shoring up our nation's defenses, improving our children's schools and reducing the national debt.

But there are other, smaller items that may never make it to the pages of your newspapers but could significantly improve the lives of countless Americans. Here are four examples that I care deeply about and highlighted at White House events this week:

Foster Care: Last November, I wrote a column about the plight of the nearly 20,000 youngsters who each year become too old for foster care. Terry Harrak was compelled to leave foster care when she turned 18, at the beginning of her senior year. With no job and no place to go, Terry became homeless and was forced to finish high school while staying with friends and teachers, in subway terminals and even in hospital emergency rooms. Now, thanks to a local program that helps the homeless, she has a job and is attending community college.

Terry's one of the lucky ones, but no foster child should have to become homeless to obtain help. In his budget, the President proposed funds to help foster youth like Terry by offering them financial support while they develop the skills they need to move into the work force and making sure they have adequate health care until they're 21.

Asthma: Last year, I also wrote about the alarming increase in childhood asthma. Many people don't understand how debilitating this disease can be and that it now affects 6 million American children, double the number 15 years ago. The President's budget includes the largest ever federal investment to fight childhood asthma -- through research, disease management education and a new public-information campaign.

Children's Hospitals: I know from my own experience that children's hospitals train 25 percent of this country's pediatricians and nearly half of all pediatric specialists. But unlike teaching hospitals that train doctors who treat adults, they receive very little in the way of federal medical education support. The President's budget would provide funds for children's hospitals to ensure that the physicians they train can meet the special health needs of our nation's children.

Mentoring: Most of us can think back to one or two adults who encouraged, supported and championed us as we were growing up. When I was young, the youth minister at my church opened doors to me and my friends by arranging worship and service opportunities with disadvantaged teens in Chicago, exposing us to art and poetry, and taking us to hear Dr. Martin Luther King Jr. speak.

I am especially pleased that the President's budget contains two items that support mentoring: the new GEAR UP program, which is aimed at disadvantaged students as they prepare for college, and at-risk youth programs including tutoring, job training, and drug and alcohol prevention.

You may have noticed that I keep referring to the "President's budget." Many people, I have found, assume that when the President announces his budget, the money will be forthcoming. But this is only the beginning of a long and sometimes difficult process.

What happens is this: Once the President has announced his plan, he sends it to Congress, where lawmakers must approve and allocate funds for everything from the FBI and the Peace Corps to highway construction and space exploration.

During this process, various Congressional committees and subcommittees hold hearings. Working with members of the administration, Congress then accepts some of the President's proposals, rejects others and changes still others. Agreement should be reached by Oct. 1, when the new fiscal year begins, although last year, the President couldn't sign the final budget until Oct. 24.

Over the course of the next eight months, you will hear a lot about various budget proposals -- proposals that have the potential to change the lives of millions of American citizens. Let's hope that when Oct. 1 rolls around, the President's plans for the big things like Social Security and Medicare will have passed but also that you'll also see funding so young people like Terry Harrak will never again sleep in subway stations, children will no longer suffer the life-threatening symptoms of asthma, hospitals will train more and better pediatric specialists, and every child will have a champion.



Talking it Over

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# TALKING IT OVER

## HILLARY RODHAM CLINTON

February 17, 1999

Like many Americans, I got my Social Security card when I was a teenager and applied for my first job. Then, of course, I didn't think much about what Social Security meant for me or for generations before me. I didn't understand that my wallet-sized card represented a commitment that every American could grow old with dignity.

I also didn't understand that Social Security is not just for the elderly -- and not just for retirement. I didn't know that nearly one-third of its beneficiaries are either disabled, widows, widowers or surviving dependents. Almost 4 million are young people. In a very real sense, Social Security is a family protection system.

When I was a teenager, like many others, I didn't spend much time thinking about my future, much less about my retirement. Today, sadly, when young people do take the time to ponder the future, they have little faith that Social Security will even be there for them when they retire. That's all the more reason for them to get involved in the debate right away.

This week, the President and I held an event here at the White House designed to get everyone thinking about Social Security now.

Social Security has affected the lives of people young and old. One young man from Miami had an incapacitating stroke in his early 30s. Social Security was there to provide disability benefits for his four children, enabling them to grow up healthy and cared for. After the death of her husband, a retired cafeteria worker from Tennessee started receiving his benefits, allowing her to live more comfortably. A 15-year-old girl from Oklahoma lost her mother, and Social Security allowed this young woman to continue on to college, where she's now a sophomore majoring in psychology.

These stories remind us that anyone's life can change overnight and why it is so important to include young people in the discussion. I hope that young women in particular will pay attention. Young women today are making such strides in the workplace, many of them don't think they'll ever need Social Security. But because we never know when something catastrophic will happen, it is especially critical for women to understand that they have a unique stake in the future of the Social Security system.

Women live longer than men, and although many are moving toward pay equity, lifetime earnings for women remain lower, causing them to reach retirement with smaller pensions and other financial assets. For a quarter of all older women, Social Security is the only income they receive -- all that stands between them and destitution. The next time you're in the supermarket or just walking down the street, take a look around. Without Social Security, every other woman you see over the age of 65 would be living below the poverty line.

Clearly, it's in all our interests to preserve and strengthen Social Security into the next century. And if we don't want to burden our children and grandchildren

-- if we want to make sure Social Security remains solvent well into the 21st century -- we must make bold decisions now.

The President believes that the best way to keep the promise of Social Security rock-solid is to avoid drastic cuts in benefits, not to raise payroll tax rates and not to drain resources from the system in the name of saving it. Instead, he has proposed committing 62 percent of the budget surplus for the next 15 years to saving Social Security.

I am pleased that some Republican leaders have embraced the President's framework, for this issue is far too important to be sidetracked by partisan politics. If we want to preserve Social Security as a family protection system that we can count on into the next millennium, all our voices must be heard. Republicans and Democrats, men and women, young and old -- all Americans must be an integral part of the public debate.

I hope every American will get involved. I hope you will take the time to educate yourself about how Social Security works and what it can mean to you. I hope you will encourage discussions at home, at work, at church and anywhere you gather.

Don't forget: Your voice matters. As we embark on this critical national debate, make yours heard.



Talking it Over

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**First Lady Hillary Rodham Clinton**
**Americans Discuss Social Security Teleconference**
**Washington, D.C.**
**January 23, 1999**

I want to thank Carolyn and "Americans Discuss Social Security," and I want to thank Rebecca Rimel and the Pew Charitable Trust, for engaging so many citizens from every walk of life throughout our nation in this conversation: "What Every Woman Should Know About Social Security."

I'm glad we opened this event with the video of women talking about their concerns, fears, hopes and what they think about the future of Social Security. Because that's what I hear all over the country as I travel. And that's why we're here today. To talk, and listen, and hopefully learn from one another.

The future of Social Security is, without a doubt, one of the most important issues facing our country and facing women in America today. Yet many of us are just beginning to get involved in this debate, and we are just starting to learn about how Social Security affects us as women.

We all have a lot of questions and concerns. And that's why forums like this one are so valuable.

I know that for many of you, I am like you. I have heard about Social Security all my life. I got a Social Security card as a teenager when I got my first job. And I've seen firsthand how it serves as a lifeline -- not only for our parents and grandparents as they retire and grow older -- but for generations, Social Security has been a rock-solid guarantee of lifetime benefits. It's been our nation's historic commitment to ensuring that Americans can grow old with dignity.

And as we look at the people who are on Social Security now, we have to remember that they are not the only recipients. The more I've learned about Social Security, the more I understand what a critical role it plays in all of our lives --whether we're young or old, working or disabled. The majority of those receiving Social Security benefits are the elderly. But, by no means, the only recipients. Because Social Security is more than a retirement system. Nearly one-third of its beneficiaries are either disabled or survivors -- or their dependents. And almost four million are young people. Social Security -- in a very real sense -- is America's family protection system.

One of the reasons why Social Security is critical for everyone is because anyone's life can change overnight. Let me tell you just a few of the stories I have heard:

- About a young man from Miami who had an incapacitating stroke in his early 30s — not something you think of happening to young people. He left his wife and four children to fend for themselves. He could no longer support them. But Social Security was there to provide disability insurance for the children — enabling them to grow up healthy and cared for.

- Or a young girl in Oklahoma who lost her mother when she was only 15 years old. Social Security enabled her to continue on to college, where she's now a sophomore majoring in Psychology.

- Or the retired cafeteria worker from Tennessee who lost her husband eight years ago. Her benefits were replaced by his, and now she can live a more comfortable life.

We never know when something catastrophic will happen to any of us. How many of us have seen tragedies and thought to ourselves: "There but for the grace of God go I?" But today, we know we can count on Social Security to help hold our families together, and protect us against the unexpected hazards of life.

At this conference, we will learn more about how women in particular are affected by Social Security, and how we have a particular stake in its future. Women represent the majority of all aged recipients. Without it, as we've heard, the poverty rate among elderly women would be more than half. I want you to think about what that means. When you go the supermarket, when you go maybe to church or the synagogue, when you're walking down the street, I want you to think that every other woman you see who is over 65 would be living below the poverty line if it were not for Social Security. And for a quarter of our older women, Social Security is the only income they receive. It's all that stands between them and the ravages of poverty.

As women, we also rely on Social Security because of our unique life patterns. We do live longer than men. And, while we're making progress, we still have lower lifetime earnings, and we reach retirement with smaller pensions and other financial assets.

Our mission today is not only to educate ourselves about the values and benefits of Social Security, but to talk about ways of ensuring that it will be preserved for future generations. As my husband explained in his State of the Union address just a few days ago, bold steps must be taken now to make sure Social Security remains solvent well into the 21st century.

The question is: how should we respond to this historic challenge? As many of you know, the President has put forward a framework to save Social Security.

He believes that the best way to keep Social Security a rock-solid guarantee is to avoid drastic cuts in benefits, not to raise payroll tax rates, and not to drain resources from the system in the name of saving it. He's proposing instead to commit 62 percent of the budget surplus for the next 15 years to save Social Security, and to invest a small portion in the private sector to enable that to earn a higher return.

I'm very pleased that Republican leaders have embraced the President's call to reserve 62 percent of the budget surplus for Social Security, as we all work together to devise a plan to save and strengthen this critical program.

But it is essential that Democrats and Republicans alike answer the President's challenge to preserve enough of the surplus also to protect Medicare into the next century. Health security and retirement security should go hand in hand.

While we must protect the special provisions in Social Security that are particularly beneficial to women, the President also recognizes there is even more we can do. There are inequities in the system that can be fixed. And I want to underscore his commitment to reducing poverty among elderly women, who are still nearly twice as likely to be poor as other seniors.

The President also believes that once we've saved Social Security and Medicare, we should create universal savings accounts -- so-called "U.S.A. Accounts" -- to give working families tax relief for their retirement savings. He believes that we can help all Americans -- especially those with lower incomes -- to save and invest their earnings to build nest eggs for their own retirements.

The difference between the President's proposals and other proposals is that the President believes we can empower Americans to save, without creating risky and untested individual accounts within the Social Security system.

Clearly these issues are far too important for any of us to stay on the sidelines. Women's concerns -- like all America's concerns -- must be an integral part of the public debate about the future of Social Security. If we want to save Social Security as a family protection system we can count on into the next millennium, our voices must be heard -- in town halls, in the halls of Congress, and in forums like this.

Today, I hope all of us will stay involved after this conference and keep this national conversation going -- by encouraging discussions in our homes, our workplaces, our churches, everywhere we gather. And above all, we must continue to educate ourselves so we can achieve Social Security reforms that truly benefit women.

I regret I won't be able to be with you for this entire conference. But I know you're going to hear some very good information and discussion. And I'm pleased that a member of the Social Security Administration will be here to answer your individual questions. I look forward to hearing of the reports and ideas that come from this conversation. Never forget: your voices do matter. And we're all very grateful for the time you are taking today to be sure those voices are heard.

Thank you all very much.

**PRESIDENT CLINTON UNVEILS PRINCIPLES FOR MEDICARE REFORM AND UNDERSCORES NEED TO DEDICATE THE SURPLUS TO MEDICARE**
***February 3, 1999***

Today, in his speech to the American Association of Retired Persons (AARP), President Clinton will underscore the need to dedicate 15 percent of the budget surplus to secure the Medicare Trust Fund until 2020. He will stress his preference for bipartisan Medicare reform that is necessary to modernize Medicare and achieve additional savings to strengthen the program, and will outline four main principles that he believes any such plan should meet. The President will:

**Highlight the Need to Dedicate Budget Surplus to Strengthen Medicare.** The President will highlight the fact that, while we need reform to improve competition and efficiency in the Medicare program, these reforms will not produce savings that are sufficient to significantly extend the life of the Trust Fund. In fact, if reductions in growth alone were used to extend the life of the Medicare Trust Fund, spending growth per beneficiary would have to be limited to 2.8 percent per year -- in every year -- to get to 2020. This rate is over 60 percent below projected private health insurance spending per person (7.3 percent). Moreover, since this growth rate is below general inflation, the value of Medicare spending per beneficiary would erode. These projections help explain why virtually every independent health analyst agrees that Medicare cannot be significantly strengthened without adding outside financial support such as the surplus.

**Unveil Principles to Guide Medicare reform.** The President will outline principles that he will use to evaluate any Medicare reform proposal. Any broad-based reforms should:

- **Dedicate Surplus to Secure Medicare until 2020.** One of the fundamental goals of Medicare reform is to put the program on stronger financial footing to better prepare it for the demographic and health challenges of the next century. These challenges cannot be addressed solely through making the program more efficient, transferring current liabilities out of the Trust Fund, or increasing payments. The President is proposing to use 15 percent of the projected surpluses over the next 15 years to secure the Medicare Trust Fund until 2020 as part of broader reforms to further strengthen the program.

- **Modernize Medicare and Make It More Competitive.** Medicare should adopt the best management, payment, clinical and competitive practices used by the private sector, to help maintain high-quality services and keep spending growth in line with the private spending. Moreover, strong and effective Federal administration of Medicare should be assured.

- **Guarantee Defined Set of Benefits Without Excessive New Costs to Beneficiaries.** Beneficiaries should still be entitled to an adequate set of health benefits. A modernized, well-defined benefits package is needed to assure that health plans compete on cost and quality rather than price. Reforms should also maintain or strengthen protections for low-income beneficiaries, assure that any new cost burdens are not excessive, and assure that beneficiaries have access to a viable traditional Medicare program.

- **Use Savings from Reform to Help Fund a Prescription Drug Benefit.** Millions of Medicare beneficiaries have no or inadequate coverage for their medications, limiting their access to needed treatments. In fact, over half of Medicare beneficiaries pay more than $500 per month for prescription drugs and one in 10 pay more than $2,000. Prescription drugs have become an essential part of treatments and cures, and are expected to play an even greater role in health care in the next century. The President believes that additional savings from making Medicare more efficient should be used to help finance a long-overdue prescription drug benefit for all Medicare beneficiaries.

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# PRESIDENT CLINTON AND VICE PRESIDENT GORE:
## Saving Social Security and Strengthening Medicare
January 27, 1999

**In His State of the Union Address, President Clinton Put Forward His Framework To Save Social Security And Strengthen Medicare.** A week ago, President Clinton proposed his framework to allocate the projected budget surpluses over the next 15 years to meet America's challenges.

**Save Social Security Now.** The President's framework includes transferring 62 percent of the projected budget surpluses over the next 15 years -- more than $2.7 trillion – to the Social Security system and investing a portion of the transferred surpluses in the private sector to achieve higher returns for Social Security -- just as any state or local government, or private pension does. This will keep Social Security solvent until 2055. The President believes we must work on a bipartisan basis to make the hard-headed but sensible and achievable choices to save Social Security until at least 2075, while reducing poverty among single elderly women and eliminating the limit on what older Americans on Social Security can earn.

**Letter from Social Security Actuary Shows President's Proposal Saves Social Security Until 2055.** Today, a memo from Stephen Goss, Deputy Chief Actuary of the Social Security Administration, was released, and it stated that the President's "proposal would extend the estimated year in which the combined OASDI trust funds would become exhausted by 23 years, from 2032 to 2055. It would reduce the size of the estimated long-range OASDI actuarial deficit by over one half, from 2.19 to 0.76 percent of taxable payroll." [Memorandum from Stephen Goss, Deputy Chief Actuary of the Social Security Administration, January 26, 1999]

**Strengthening Medicare for the 21st Century.** Today, President Clinton emphasized the importance of his proposal to dedicate 15 percent of the projected budget surpluses to the Medicare program, as part of his broad framework to save Social Security and Medicare for the 21st century. These resources alone would extend the life of the Medicare Trust Fund to 2020, as confirmed by the Medicare actuary in a letter released today. However, the President stressed that the dedicated surplus dollars should be used in the context of broader Medicare reforms that modernize and improve the program.

**President Clinton Emphasized That Dedicating Revenues is Essential to Preserving and Strengthening Medicare.**

**Letter from Medicare Actuary Shows President's Proposal Keeps Medicare Solvent Until 2020.** Today, a memo from Richard Foster, Chief Actuary of the Health Care Financing Administration (HCFA), was released, and it stated that "the assets of the HI trust fund would be depleted in calendar year 2020 under [the President's] proposal, as compared to 2008 under present law." [Memorandum from Richard Foster, Chief Actuary of the Health Care Financing Administration, January 27, 1999]

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**Medicare, like Social Security, Faces Challenge of the "Senior Boom."** Medicare's enrollment is expected to double by 2030. Moreover, by 2030, the ratio of workers (who help finance Medicare through payroll taxes) to beneficiaries is expected to decline by over 40 percent.

**Without New Surplus Revenue, Medicare Spending Would Have to Be Reduced Significantly.** For the Hospital Insurance (HI) Trust Fund to be solvent only through 2017, it would take a 10 percent reduction in baseline spending in each year (all else held constant). For example, in 2000, this would amount to about $15 billion -- more than Medicare pays for all of home health care.

**Growth Would Have to Be Slowed to below General Inflation.** Even if Medicare per capita cost growth were constrained to general inflation in every year -- virtually unprecedented in health care and less than half projected private spending growth rate -- the Trust Fund would only be extended to 2016.

**Experts Validate That Additional Revenues Are Critical to Preserving and Strengthening Medicare.** Health economists and experts agree: not only are new revenues needed but the surplus is a good source. Experts supporting this proposal include: Robert Reischauer, Henry Aaron, Judy Feder, Marilyn Moon, and Uwe Reinhardt and other respected economists.

**The President Underscored His Strong Belief That Surplus Dollars Should Be Utilized In the Context of Broader Reforms to the Program.** The President emphasized that it would be ill-advised to expand Medicare in the absence of broader reforms. He stressed that the additional dedicated dollars should be used in conjunction with important reforms which would modernize the program by providing market-oriented purchasing tools, additional savings, and a long- overdue prescription drug benefit.

**The President's Framework Would Also Allocate Projected Surpluses To Provide Tax Relief for Retirement Security and To Prepare America for the Challenges of the Future:**

**Create New Universal Savings Accounts -- USA Accounts.** After we save Social Security, the President would allocate 12 percent of the projected surpluses to create new Universal Savings Accounts (USAs). USA Accounts would be a $536 billion tax cut over the next 15 years to help Americans save for their futures, providing Americans a flat tax credit to make contributions into their USA Account and additional tax credits to match a portion of an individual's savings -- with more help for lower-income workers.

**Prepare America for the Challenges of the Future.** And after Social Security reform is secured, the President's framework would allocate 11 percent of the projected surpluses for military readiness and other pressing domestic priorities.

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