Response to AARP Candidate Questionnaire

SOCIAL SECURITY

Question: What balance of benefit (including retirement age) and/or revenue changes do you propose to ensure Social Security's long-term solvency? What would you oppose?

We have an obligation to our parents and children to protect Social Security for the future. Under my Administration, we made Social Security an independent agency, reducing backlogs and upgrading services.

I am opposed to seeking savings from Social Security to solve our deficit problem or pay for other spending priorities or tax cuts. Future changes should be geared to one thing only: what is best for the long-term viability of the Trust Fund.

While the Fund is secure for the near future, most experts agree that we will have to make long-term adjustments to address future demographic changes. Those adjustments should be made in the same way we have done in the past: through serious, bipartisan efforts that put politics to the side and allow all parties to focus on the long-term changes that best preserve the viability of the Trust Fund for generations to come. [150]

TAX REFORM

Question: In the tax reform debate, what changes in taxes, rates, or tax "loopholes" do you support and why?

I am committed to tax reform that is fair to all Americans, rewards work, and helps our nation prosper.

That's why I proposed closing billions of dollars in tax loopholes that line the pockets of special interests. It's why I promoted the Earned Income Tax Credit, which rewards working Americans trying to lift themselves out of poverty. And it's why I proposed a modest tax cut for middle-class Americans -- to help them pay for education or save for the future.

I am also committed to creating a more manageable tax system, and I'll look at any serious proposal to simplify the tax code that makes our system more fair. Unfortunately, most of the "flat tax" proposals I've seen would increase the deficit or raise taxes for everyone making less than $200,000. That's not tax reform to me. Real reform serves the interests of all Americans, not just the select few. [150]

MEDICARE

Question: What changes in Medicare do you propose to ensure it remains affordable, dependable, and of high quality now and in the future? How would your proposed changed affect costs of Medicare recipients?

For thirty years, Medicare has permitted seniors -- no matter what their income -- to live with security and dignity. Under my Administration, Medicare will never become a second-class system.

I am committed to strengthening Medicare through genuine reform, not by harming the very people it was designed to protect. That means cutting back on fraud and abuse, expanding incentives for preventive care, and increasing private health care options. It also means protecting seniors -- who already spend 21% of their income on medical care -- from new and excessive cost-increases.

Since entering office, I've taken several steps to add years to the life of the Medicare Trust Fund, and my balanced budget proposal secures the Trust Fund through 2011, leaving it as strong or stronger than it's been in 18 of the last 20 years. Moreover, it does so without any new proposals to increase the out-of-pocket expenses of beneficiaries. [147]

CAMPAIGN FINANCE REFORM

Question: What will you do to lessen the special interest funding and its impact on campaigns and legislation; exactly how would you reform campaign finance laws?

I strongly support campaign finance reform. The trust of the American people in government has been eroded by what they see in Washington. Hardworking families know that lobbyists and special interests wield too much influence.

Since I became President, we won a ban on gifts from lobbyists to lawmakers, a new lobbying disclosure law, an end to tax deductibility of lobbying, and a law applying the same rules to Congress as the rest of America. I barred my top appointees from lobbying their agencies for five years after leaving office. And I proposed campaign reform legislation that will clean up our election laws.

Now it's time to finish the job. We should enact voluntary spending limits on congressional campaigns; provide free TV time to candidates who limit spending; restrict the role of PACs; and end the use of soft money in federal elections. Congress should act <u>quickly</u>, and legislation should be truly <u>bipartisan</u>. [150]

LONG TERM CARE

Question: What steps will you take to ensure that affordable long term care, including nursing home and home health care, is available to people of all ages and incomes who need it?

Access to affordable, high-quality long-term care is a critical part of honoring our parents and ensuring that all Americans live with security and dignity.

Almost half of elderly Americans enter a nursing home at least once, paying an average of $38,000 a year. That's why we must maintain the guarantee of Medicaid coverage, preserve nursing home quality standards, and continue to protect spouses of nursing home residents from excessive financial burdens.

I am also committed to expanding home and community-based options for people with disabilities. I have proposed a grant program to expand these services and legislation that would allow states to develop programs without special Medicaid waivers. Finally, I have supported federal standards for private long-term care insurance and tax incentives to make private insurance affordable.

These proposals, taken together, will help make long-term care affordable and available for all Americans who need it. [149]

AARP

Bringing lifetimes of experience and leadership to serve all generations.

November 1, 1995

The Honorable Bill Clinton
The White House
Washington, D.C. 20500

Dear Mr. President:

The American Association of Retired Persons (AARP) is committed to educating its membership about public policy issues that affect their lives. Through its non-partisan voter education program, AARP/VOTE, the Association is publishing a "Voters Guide" which will contain candidates' views and positions on issues of interest to our members and their families nationwide. We would like to include you in the 1996 Guide.

Candidates will be asked to respond to questions relating to AARP's priority issues, including Medicare, Social Security, and Tax Reform. Additionally, there will be questions pertaining to Long-Term Care and Campaign Finance Reform. Responses to each question are limited to no more than 150 words. AARP will not edit responses. Only the first 150 words of the summary questions will be published in the Guide.

AARP is non-partisan, it does not have a PAC, and it does not endorse or oppose candidates. It is concerned about the issues which affect older Americans and their families. This is why we ask candidates to focus their responses on issues, not on the positions (or characters) of other candidates. Any comments about other candidates will not be printed.

AARP/VOTE will distribute the Voters Guides to its members across the country. Additionally, every AARP member household in New Hampshire will receive a copy.

In order to meet our production and distribution deadline, we need your response to the enclosed questions by Monday, November 20th. If you find it difficult to respond by that time, please have your staff contact LeeAnn Steinberg, AARP/VOTE, at (202) 434-3730. The Voters Guide will go into production shortly after the deadline.

Please have your staff forward your responses to:

AARP/VOTE
Attn: LeeAnn Steinberg
Via Fax: (202) 434-6499

AARP/VOTE

1996 ELECTION

FEDERAL ISSUE QUESTIONS

In 1996, AARP/VOTE will emphasize the five issues shown here. In answering this request, please submit one answer (150 words maximum) for each of the five issue areas. On each issue, the Voters Guide will include the Facts to Consider section, the Summary Question, and the responses from you and other candidates.

MEDICARE

FACTS TO CONSIDER:

Medicare currently covers only about 45 percent of older Americans' total health costs. On average, Medicare beneficiaries now spend $2,750 out-of-pocket annually on health care, not including long-term care. The Medicare Trust Fund trustees issued a report in 1995 projecting revenues would be sufficient to meet obligations to beneficiaries for seven years, through 2002. The length of projected solvency of the Fund has varied over the program's life from 5-21 years in duration and has averaged about 10 years. Major variables are the rate of increase in health care costs nationally and the increasing number of persons eligible. Medicare's administrative costs are 2 percent, quite low when compared to costs for administering private insurance plans.

QUESTIONS:

1. How can we ensure that the Medicare program is financially stable and strong for current and future generations?
2. Given the changes you propose, specifically, how would you ensure that older Americans continue to have an affordable, quality, dependable health care program?
3. How much more do you believe older Americans will be charged in out-of-pocket costs such as premiums, deductibles, and co-pays, in order to achieve these goals?

SUMMARY QUESTION:

What changes in Medicare do you propose to ensure it remains affordable, dependable, and of high quality now and in the future? How would your proposed changes affect costs for Medicare recipients?

SOCIAL SECURITY:

FACTS TO CONSIDER:

Social Security is the nation's primary family protection program, supporting not only retirees and their families, but also disabled workers and the spouses or children of deceased workers. It is a social compact between the generations. The average beneficiary has a total yearly income of $17,000; the average monthly check for individuals is just over $700. Almost two-thirds of beneficiaries receive one-half or more of their income from Social Security. The Social Security Trust Funds will be able to pay full benefits until 2030 without any change in current law. Long-term changes in revenue and/or benefits will be necessary to meet the large costs associated with the retirement of the "baby boom" generation beginning around 2010.

QUESTIONS:

1. Traditionally, any changes in Social Security funding have been a balanced package of changes in revenues and benefits, including retirement age changes. Do you favor a balanced approach, or changes only in benefits, or only in revenues?

2. What further changes in benefits or retirement age, if any, would you propose as necessary to help ensure Social Security's long-term solvency? Would these changes affect current beneficiaries?

3. Do you think payroll contributions should be diverted into individual private accounts as proposed by some (with individuals' funds at risk), or do you believe the current "pooled" system of investment and payment is better?

SUMMARY QUESTION:

What balance of benefit (including retirement age) and/or revenue changes do you propose to ensure Social Security's long-term solvency? What would you oppose?

TAX REFORM:

FACTS TO CONSIDER:

Older Americans support deficit reduction. Significant long-term deficit reduction can be achieved through spending cuts and revenue increases. In the recent debate, government has relied mostly on spending cuts to reduce the federal deficit. Tax reform options are now re-emerging in Congress. Options include a "flat" tax, reducing tax preferences, and instituting some form of tax on individual spending (a consumption tax) rather than income. Many critics believe that "flat tax" proposals would disadvantage retirement income programs and savings.

QUESTIONS:

1. Do you believe that changes are needed in the current tax code? If so, should they be incremental or major? What specific changes do you support and why?

2. How would you improve tax fairness, especially the question of limiting tax expenditures (deductions, exemptions, and "loopholes" for individuals or businesses)? Do you believe in a progressive income tax?

3. In tax reform, how would you avoid penalizing persons who will already have saved over many years, such as current or future retirees?

SUMMARY QUESTION:

In the tax reform debate, what changes in taxes, rates, or tax "loopholes" do you support and why?

LONG-TERM CARE:

FACTS TO CONSIDER:

Long-term care refers to the comprehensive range of services that meet the physical, social, and emotional needs of persons of all ages with disabilities. Many elderly people with disabilities (mostly women) are likely to be living alone, including 86 percent of those entering a nursing home. The present long-term care system is seriously fragmented, with major funding and service gaps among federal and state programs assisting persons needing home care or a nursing home. Medicare does not cover extensive long-term care and premiums for most private insurance plans for limited long-term care coverage are quite expensive. The average annual premium for long-term care insurance for a 65-year old is $2,228. The cost of intensive long-term care is prohibitive (almost $40,000 per year for nursing home coverage), and eventually impoverishes most disabled people and their families.

QUESTION:

1. What steps will you take to ensure that affordable long term care, including nursing home and home health care, is available to people of all ages and incomes who need it?

CAMPAIGN FINANCE REFORM:

FACTS TO CONSIDER:

As politicians spend more and more time raising special interest money, they spend less and less time talking with voters and discussing issues important to all citizens, including critical issues for older Americans. In addition, excessive campaign spending in recent years has fueled increased negative television political advertising. Public discussion of policy issues with citizens, which should be the focus of candidates and campaigns, have been obscured or ignored, usually for slogans or "sound-bites" to put opponents on the defensive. As a result, large numbers of voters distrust or do not participate in our electoral system. Voter involvement and participation is being replaced with citizen frustration with government and voter cynicism about the political process.

QUESTIONS:

1. Will you support or oppose campaign finance reform that restricts special interest funding and sets a ceiling on how much is spent for a political campaign?

2. What is your position on public financing and the quality or format of political advertising?

3. What will you do to assist in developing a bi-partisan approach to campaign finance reform?

SUMMARY QUESTION:

What will you do to lessen special interest funding and its impact on campaigns and legislation; exactly how would you reform campaign finance laws?