

News from Senator

BOB DOLE



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DOLE SETS RECORD STRAIGHT ON CATASTROPHIC HEALTH LEGISLATION

Washington, D.C. -- Responding to misleading ads being run in Kansas, Senator Bob Dole (R-Kan) today set the record straight on catastrophic health care legislation. He stated that the Senate bill represents a landmark effort to reduce catastrophic health care expenses for Medicare recipients, not a 'massive new tax on senior citizens.'

"As a principal cosponsor of the Senate Catastrophic Illness bill, I take exception to those who would play on the fears of senior citizens without giving them the facts. The Senate Catastrophic Illness bill is designed to protect senior citizens from the threat of devastating health care expenses for hospital and physician services at a cost they can afford," said Dole.

"This is not a 'whopping tax hike' as the ads run by the National Alliance of Senior Citizens would have the elderly believe. On the contrary, it is a fiscally responsible effort to reduce the burden of health care expenses on the elderly, especially the low-income elderly, without breaking the back of the American taxpayer."

The Senate bill would entitle Medicare's 32 million elderly and disabled beneficiaries to up to 365 days of free hospital care a year. No beneficiary would have to pay more than \$1,850 a year in out-of-pocket costs for non-drug-related services covered by Medicare. The bill also includes provisions to make home care more available and for the first time would provide coverage for the cost of outpatient prescription drugs.

Under the bill, each Medicare recipient would pay \$4 a month in added premiums for catastrophic benefits. A supplemental income-related premium of \$13.08 per year for each \$150 of federal income tax liability would also be assessed. This supplemental premium would protect low-income senior citizens and ensure that those most able to afford the expanded coverage contribute accordingly. These premiums would be partially offset by savings on private "Medigap" policies many now buy to provide benefits covered by the catastrophic bill.

The Medicare Catastrophic Loss Prevention Act is currently pending before a conference committee called to resolve the differences between the House and Senate versions of the bill.