

Congress of the United States
Washington, DC 20510

JOINT STATEMENT OF
SENATE MAJORITY LEADER BOB DOLE &
SPEAKER NEWT GINGRICH
MAY 2, 1995

The last few days have seen a fair amount of political wrangling over Medicare. Before we get further down this road of no return, we hope we could step back, review the facts, and lower the rhetoric.

This is a copy of the 1995 annual report of the Medicare Board of Trustees. It was issued April 3 by the trustees, four of whom are appointees of President Clinton -- including three members of his Cabinet.

The trustees analyzed the numbers, and concluded that, beginning next year, Medicare starts going broke. And they concluded that in just seven years, Medicare will be bankrupt. Those aren't Republican opinions. They're not Democrat opinions. They are facts.

It's also a fact that if Medicare goes bankrupt, no payments, by law, can be made by Medicare to pay for hospital care or for any other services paid for by the trust fund.

And it's a fact that there are thirty three million seniors and four million disabled individuals who depend on the Medicare program every year.

It is for them, and for those who will follow, that we must commit to preserving, protecting and improving the Medicare program.

Unfortunately, it appears that the one place the trustee's report was not read was the White House. Instead of searching for solutions, the President and his staff are searching for votes. They have opted to play politics, hoping to gain some sort of advantage with America's seniors. This strategy is as dangerous as it is short-sighted.

The President has called for us to sit down and work on a bipartisan basis on welfare reform and on terrorism. If working together makes sense on these issues it certainly makes sense on Medicare.

In 1983, a Republican President, a Republican Senate, and a Democrat House of Representatives were able to set politics aside and save Social Security. It is time for President Clinton to join us in that same spirit.

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We can, working together, protect and preserve Medicare and make the trust fund solvent. We can do it without reducing current expenditures -- in fact, Medicare spending will continue to increase -- and we can do it now, not two years from now. We can also -- and should also -- move forward on the broader budget proposals. But we can not let partisan wrangling over the budget endanger separate efforts to preserve and protect Medicare.

Let's be clear -- Medicare's impending bankruptcy is not about balancing the budget. If we had a balanced budget today, we would still have to take action to save the Medicare trust fund. And if President Clinton's deficit projection of \$200 billion in 2002 was our budget policy, Medicare would still go bankrupt that same year.

In our effort to protect and preserve Medicare, the standard we will follow will not be one set by any political party: it will be the one set by the Medicare trustees. We will reform the program sufficiently to meet the Medicare trustees' own solvency test. That will be the only standard.

The choice for President Clinton is clear. He can either heed the warning of his own cabinet members, and join us in protecting and preserving Medicare; or he can heed the advice of his political pollsters, and decide that his re-election is more important than his responsibility or his relevance.

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