

# New Jersey Democrats to GOP: 'Hands off my Medicare!'

Written by

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**HIGHLAND PARK** — Several of the state's Democratic leaders have made it clear to congressional Republicans: "Hands off my Medicare!"

At a rally Wednesday, U.S. Sen. Frank R. Lautenberg led the cry of about 75 senior citizens at the borough senior center. He was joined by three assemblymen, a Middlesex County freeholder and two Borough Council members, all of whom oppose the plan of the House Budget Committee led by Rep. Paul Ryan, R-Wis. With \$750 billion in cuts, the plan would change Medicare as we know it, Lautenberg said.

"The Republicans want to get rid of Medicare," Lautenberg said. "What we have to do is get rid of the Republicans."

Founded in 1965, Medicare is expected to go bankrupt by 2017 at current spending levels, according to a May 13 report of the Medicare Trustees, a body that monitors the program's fiscal health.

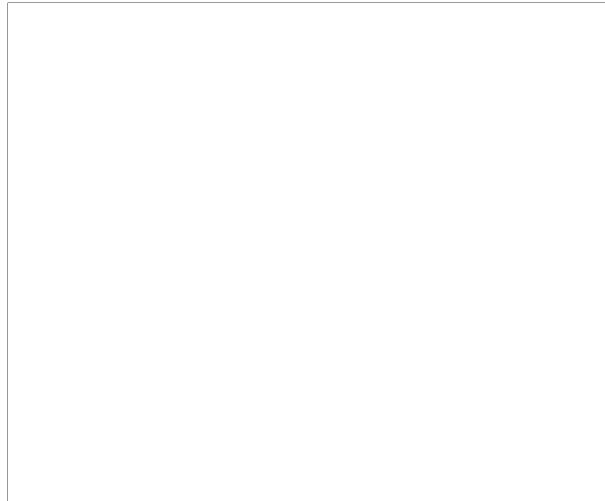
The report said, "Projected long-run program costs for Medicare are not sustainable under currently scheduled financing, and will require legislative corrections if disruptive consequences for beneficiaries and taxpayers are to be avoided."

Lautenberg said that Republican cuts are too drastic, and that they want to balance the budget on the backs of seniors, as well as on the middle class and students.

Today's seniors, however, would not be impacted by the Ryan plan, which passed in the House, failed in the Senate and probably will be redrafted.

The plan stipulates that Medicare would not change for people 55 and older. For people younger than 55, Medicare would change to a voucher system that would provide limited medical funds that — once depleted — would force most beneficiaries to use their own money or charity care, according to the Congressional Budget Office, a nonpartisan arm of Congress.

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The Congressional Budget Office estimated that by 2030, the government payout to Medicare would reduce to 32 percent from the current rate of about 75 percent. In most cases, beneficiaries would have to pay the other 68 percent of the plan, which would be administered by private insurance companies overseen by the government.

Plans would have to issue insurance to all people eligible for Medicare who applied, according to the Congressional Budget Office. Plans could not charge exorbitant premiums, and low-income people would receive additional aid for out-of-pocket costs. Additional money also would be provided to beneficiaries whose health conditions deteriorate.

All six of New Jersey's Republican congressmen voted for the Ryan act, Lautenberg said.

"They want seniors to choose between groceries or health care," he said.

Assemblyman Patrick J. Diegnan Jr., D-Middlesex, added, "The difference between Republicans and Democrats is that the Republicans go after Medicare and Social Security first, whereas we look at them is as the last thing that should be touched."

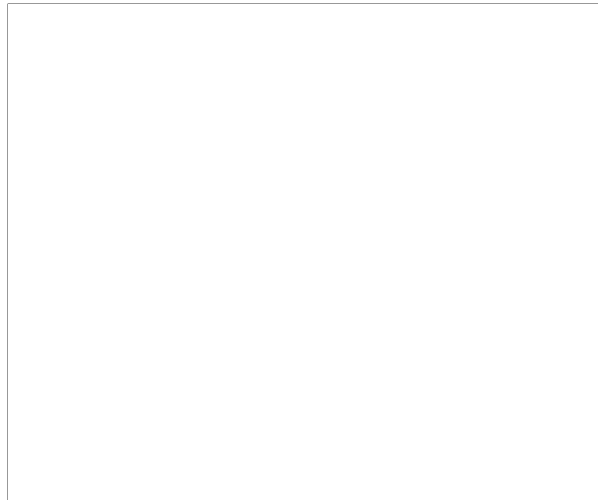
"We as a country, as a society, are judged by a lot of standards, but I think the most important one that any society is judged by is how we treat our most vulnerable, how we treat the folks who have nowhere else

to turn," said Assemblyman John S. Wisniewski, D-Middlesex. "When you talk about America being the greatest nation in the world, we can talk about military power and financial prowess, but I think one of the things that distinguishes us is the social safety net that has been set up to take care of our families over the last 50 years. It's no coincidence that those programs have been set up by Democrats. We believe that the government can play an important role in making sure that people's lives are led in dignity, comfort and security."

While the security of seniors should be protected, Medicare spending has been growing faster than the economy and is projected to do so indefinitely, said Todd Mitchell, the chief of staff for Rep. Leonard Lance, R-N.J. The number of people expected to enroll in the program will surge as the population ages and health care costs continue to grow far faster than inflation, Mitchell said.

Within the next decade, the Congressional Budget Office estimates that enrollment in

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Medicare will grow by a third, and spending per enrollee will jump by 50 percent. Between 1975 and 2010, the number of enrollees doubled to 47 million, and the real cost per enrollee quadrupled, according to data from the Centers for Medicare and Medicaid Services, the agency that runs the program. By 2040, Medicare will cover 88 million people, and the cost will be nearly three times higher than in 2010.

“Last year’s health care law did not help Medicare’s solvency,” Mitchell said. “Specifically, the 2010 health care law raided the Medicare Trust Fund to the tune of \$500 billion to help pay for the health care law.

“House Republicans have a plan. Most Democrats oppose it. But what is their plan to save Medicare? Without reforms, Medicare will go bankrupt, resulting in dramatically reduced benefits and vastly higher taxes. Congressman Lance will support any serious plan — Democratic or Republican — that best protects, preserves and strengthens Medicare, not only for today’s seniors but also for future generations.”

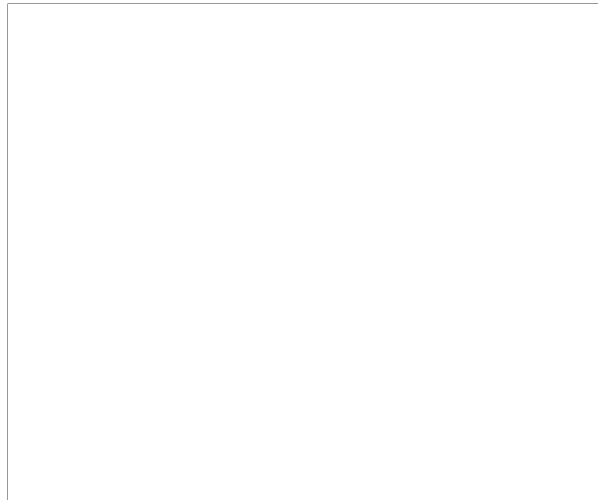
To save Medicare, the senator and assemblymen, including Upendra Chivukula, D-Middlesex, suggested raising taxes on the rich. They singled out the \$20 million salary of the CEO of Aetna, one of the nation’s top insurance companies that administer Medicare benefits. Aetna’s profits were more than \$1 billion last year, they said.

Adam Sherman, a representative of the Citizen Action watchdog group that organized the rally, said that repealing President Bush’s tax cuts will provide for Medicare, as well as Social Security. Lautenberg said that President Obama plans to repeal that tax cuts next year.

According to a poll conducted by Rutgers University’s Eagleton Institute of Politics, 72 percent supported the state millionaire tax, which Gov. Chris Christie vetoed last year. The state Legislature might propose the millionaire tax again, Sherman said. The tax would help the state match federal Medicare aid, he said.

“In Ryan’s budget, big corporations and the wealthiest Americans get a huge tax cut,” Sherman said. “That means that a time when corporate profits have reached an all-time high, Republicans would give big oil, bloated insurance companies and big banks even more taxpayer money while, at the same time, cutting benefits for people in our country that need them most: seniors, people with disabilities and the

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middle class. It just doesn't make sense."

Like the National Health Care Act of 2010, which was proposed and voted for by Democrats, Mitchell said, raising taxes on the rich will not put a dent in Medicare.

"Raising taxes on the so-called 'super-rich' as suggested as Sen. Lautenberg would do little to nothing to help ensure Medicare's solvency," Mitchell said, "while disproportionately affecting New Jersey families and small businesses and placing a further strain on our economy."

The rally was a way for Democrats to scare up senior votes, even though today's seniors won't be impacted by the disputed legislation, Mitchell said. He said that Lautenberg used similar language in 2003 when he opposed what is now the Medicare Part D prescription drug benefit program.

At the time, Lautenberg said: "Well, the bill before us today is the first major step toward the disintegration of Medicare as we know it. ... This bill will effectively destroy the Medicare program that has worked for almost 40 years. That is right. Say goodbye to Medicare as we know it. ... When I look at this bill, I see a bill that makes seniors in New Jersey worse off."

At the rally, Lautenberg said that abuse of and duplication with the Medicare system needs to be reformed. He suggested that insurance companies provide seniors with annual physicals to prevent long, expensive hospital stays.



Florence Hoffman, left, and Gussie Mandel, applaud Senator Frank Lautenberg at a rally in Highland Park to support Medicare on June 1, 2011. KEITH MUCCILLI/ STAFF / KEITH A. MUCCILLI/ STAFF

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