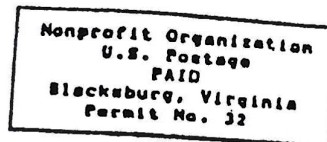


Kennith H. Martin, President
AARP Chapter #2613
516 College View Drive
Blacksburg, VA 24060

AARP Chapter Meeting
Tuesday, March 18, 1997
at Blacksburg Community Center
11:30 AM (Bring your own lunch)



President

Mr. Kennith Martin
516 College View Drive
Blacksburg VA 24060

Blacksburg

A.A.R.P.

NEWSLETTER

March 13, 1997

Volume 14, Number 3

Chapter 2613

AARP Legislative Update President Clinton Releases 1998 Budget Proposal

On February 6, President Clinton sent his fiscal year 1998 budget request to the Congress. The president's budget request includes reductions in many programs, including Medicare, and is aimed at balancing the budget by the year 2002.

Specifically, the president proposes \$100 billion in reductions to Medicare over five years, primarily through reductions in provider reimbursements. According to Administration estimates, the president's plan will extend the solvency of the Medicare Hospital Insurance Trust Fund through the year 2007. Without changes, the Trust Fund will become insolvent in 2001.

AARP is pleased that the president's proposal does not increase current Medicare deductibles or coinsurance, and we applaud the president for proposing new preventive health care benefits to Medicare, such as colorectal screening, diabetics management, and annual mammograms without copayments. The president's proposal to phase in a reduction of the hospital outpatient coinsurance to 20 percent is also a very welcome initiative. We are currently examining the details of the president's plan to determine how it would impact Medicare beneficiaries and their access to quality health care.

In addition to savings in the Medicare program, the president's proposal also calls for \$22 billion in Medicaid spending reductions over the next five years.

AARP opposes proposals to put a per-capita cap on federal Medicaid spending-as the president includes in his budget. A spending cap could jeopardize Medicaid's safety net for low-income Americans by setting an arbitrary limit on spending. Moreover, AARP is concerned that important consumer protection standards-such as nursing home quality standards and protections for low-income Medicare beneficiaries-could be significantly weakened. AARP urges the president and Congress to work together to achieve fair and balanced deficit reduction and to find a bipartisan solution to Medicare's solvency problem.

Please bring a list of your members to the March 18 meeting. The committees will be identified and mailed to the membership in April.

No garden is complete without turnips

- turn up with a smile
- turn up with new ideas
- turn up with determination to make everything count for something good and worthwhile