Background Materials

Remarks by Olena Berg
Assistant Secretary of Labor
Pension and Welfare Benefits Administration
National Press Club
October 24, 1995

Fact Sheet on Women and Pensions

- **Pension coverage of women continues to be less than that of men.**
  - Forty six percent of male and 39 percent of female private wage and salary workers are covered by a pension plan.
  - Fifty five percent of male and 32 percent of female retirees age 55 and over received pension benefits in 1994.
  - In 1993, the median pension benefit received by new female retirees was half that of men.
  - Thirty one percent of male and 24 percent of female pension benefit recipients have ever received a cost of living adjustment.

- **These differences in pension coverage and benefits are related to differing employment characteristics.**
  - In 1991, the job tenure for workers age 55 to 64 was 15.5 years for males and 10.4 years for females.
  - More than half of female workers are in the services and retail sectors of the economy, which have relatively low pension coverage rates.
  - Women working full-time, full year earned 72 percent as much as men in 1994.

- **Women may have a greater need for pension benefits than men.**
  - Women's average life expectancy at age 65 is 19 years, versus 15 years for men.
  - Older women are twice as likely as older men to be poor.

- **Women manage their pension accounts differently than men.**
  - Eighty one percent of women and 78 percent of men who received lump sum distributions did not roll over all the money into an IRA or another retirement plan.
  - In 1993, 70 percent of male and 62 percent of female wage and salary workers participated in 401(k) plans when offered one.
  - In the 401(k)-type plan for federal workers, women invest more conservatively. Forty five percent of men invest in the common stock fund, in comparison to only 28 percent of women.

- **There are some encouraging trends.**
  - The coverage rate for full-time female workers is 48 percent, compared to 51 percent for males. The difference was far greater in 1972, when 38 percent of females and 54 percent of males were covered.
  - Many women are covered through their spouse. The pension coverage rate for married households was 73 percent in 1993, far higher than that for individuals.
  - Pension coverage among younger workers is slightly higher for women. Among full-time private wage and salary workers younger than age 35, 40 percent of women and 39 percent of men are covered.
  - In firms with fewer than 25 workers, 20 percent of women working full-time, full year and 17 percent of men are covered.

State Differences in Pension Coverage

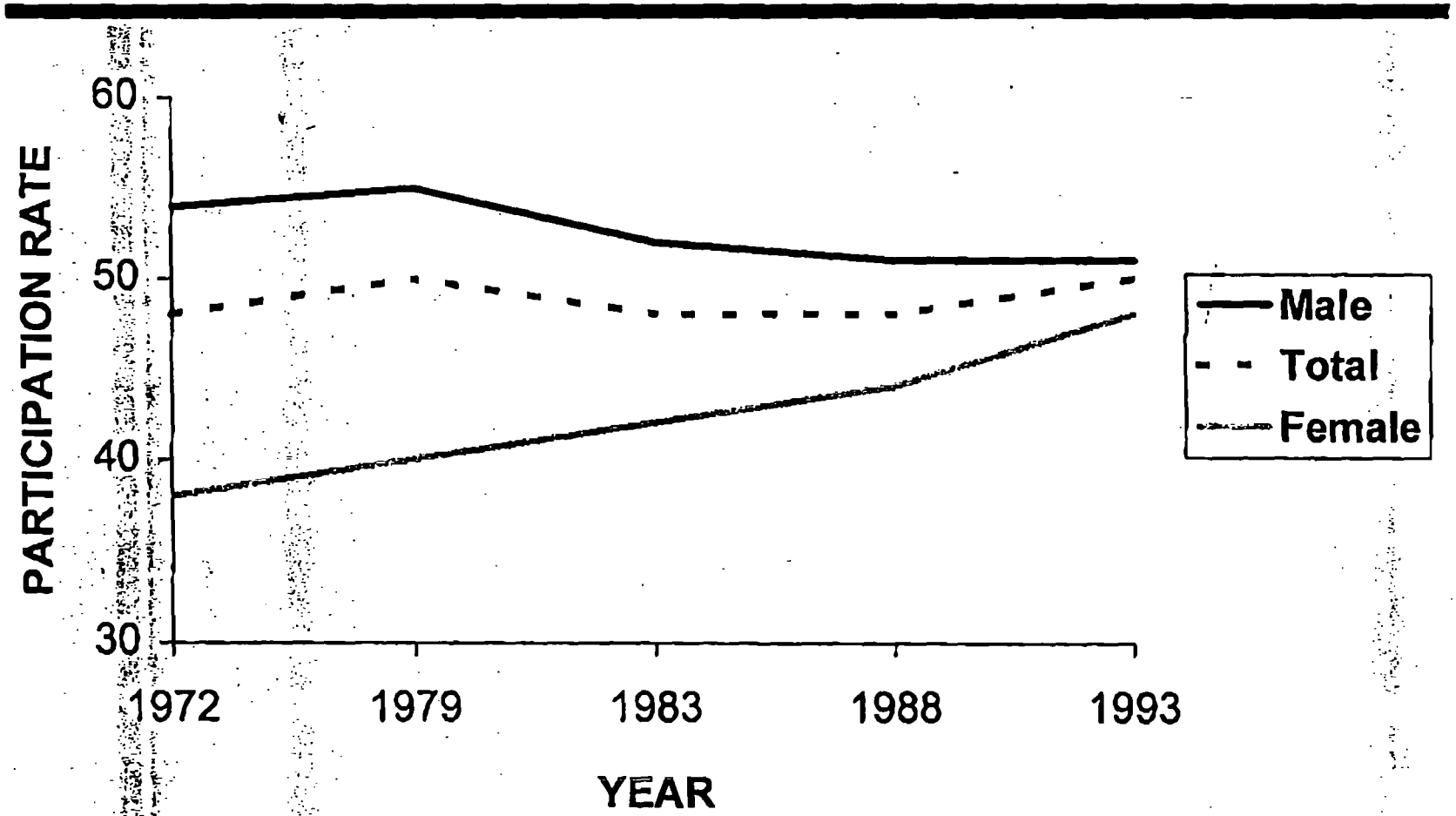
All Private Sector Workers

	Total	Men	Women
Total	43%	46%	39%
Northeast			
Total	47	51	41
Connecticut	50	55	43
Maine	40	47	33
Massachusetts*	45	48	42
New Hampshire	53	59	45
New Jersey*	49	52	46
New York*	44	49	39
Pennsylvania*	49	54	42
Rhode Island	40	40	41
Vermont	40	38	42
Midwest			
Total	47	51	43
Illinois*	50	53	46
Indiana	50	55	44
Iowa	38	46	29
Kansas	47	47	46
Michigan*	48	52	42
Minnesota	43	48	39
Missouri	46	46	46
Nebraska	39	45	32
North Dakota	39	41	37
Ohio*	51	55	46
South Dakota	37	35	40
Wisconsin	48	54	41
South			
Total	40	43	37
Alabama	43	49	36
Arkansas	37	42	31
Delaware	53	58	46
District of Columbia	50	49	51
Florida*	34	33	35
Georgia	44	50	38
Kentucky	42	48	36
Louisiana	31	36	27
Maryland	43	42	43
Mississippi	34	36	32
North Carolina*	44	48	39
Oklahoma	42	44	40
South Carolina	39	44	33
Tennessee	44	40	48
Texas*	38	42	33
Virginia	51	53	49
West Virginia	41	49	31
West			
Total	39	41	37
Alaska	40	49	28
Arizona	41	42	40
California*	38	40	35
Colorado	42	39	45
Hawaii	41	40	42
Idaho	43	50	34
Montana	38	48	26
Nevada	33	39	25
New Mexico	29	30	29
Oregon	41	46	36
Utah	37	39	34
Washington	45	44	45
Wyoming	50	65	32

*The 11 most populous states (1980 Census). According to the U.S. Census Bureau, these are the only states for which Employee Benefits Supplement data are statistically reliable at an individual State level.

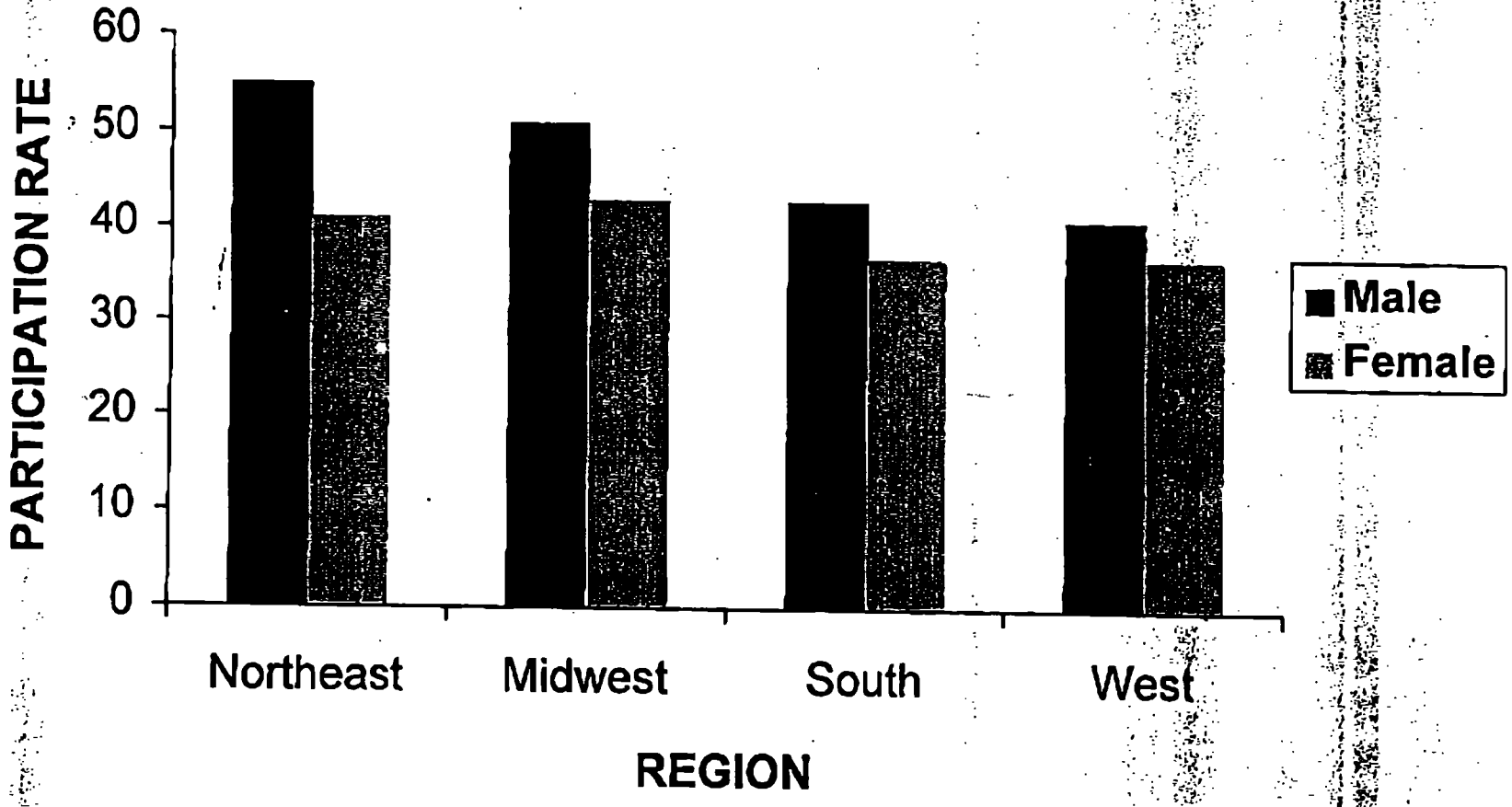
SOURCE: Employee Benefits Supplement to the April, 1993 Current Population Survey.

Trends in Participation



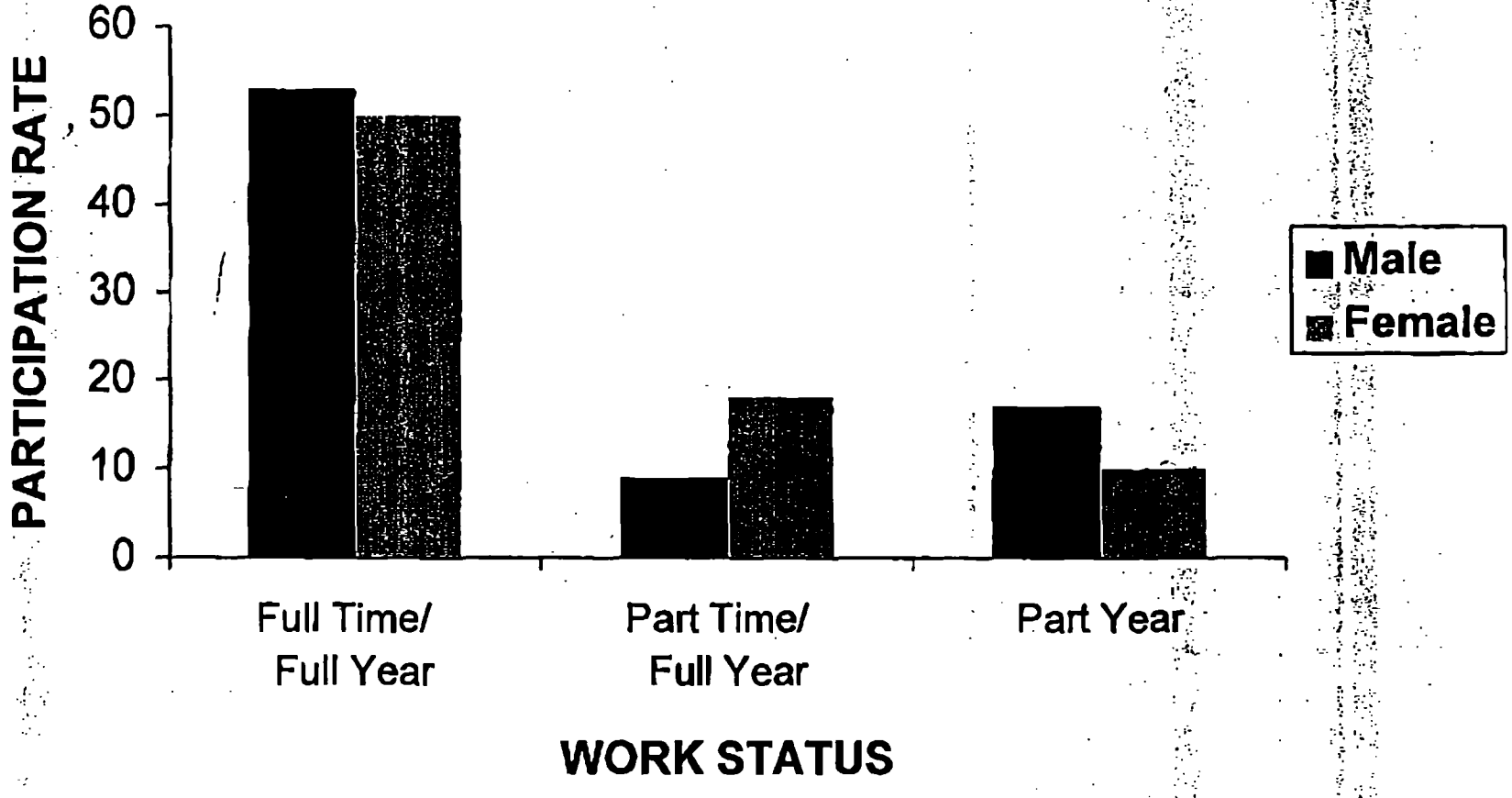
Source: PWBA Tabulations of the Employee Benefits Supplement to the April, 1993 Current Population Survey.

Participation by Region (1993)



Source: PWBA Tabulations of the Employee Benefits Supplement to the April, 1993 Current Population Survey.

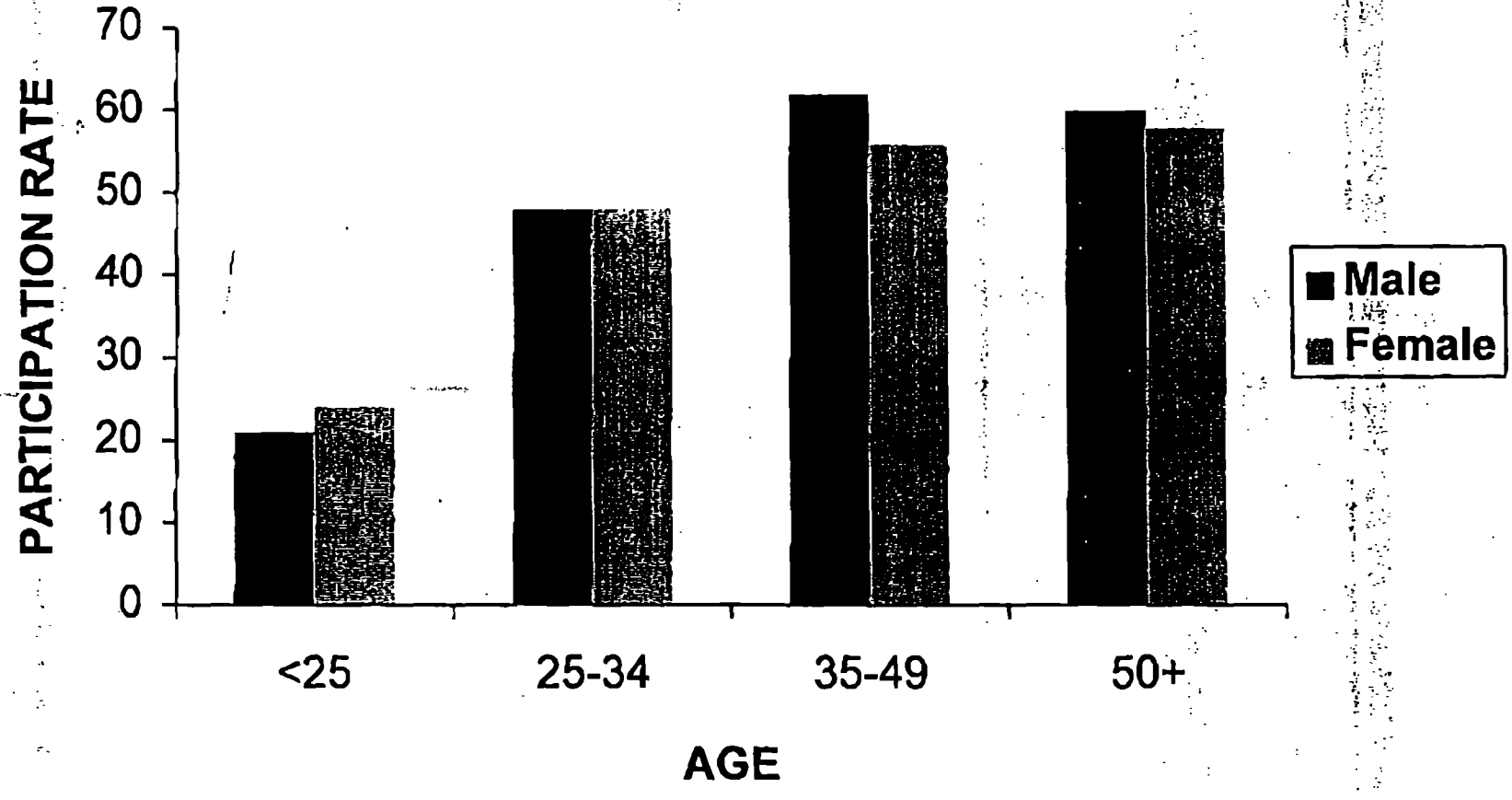
Participation by Work Status (1993)



Source: PWBA Tabulations of the Employee Benefits Supplement to the April, 1993 Current Population Survey.

Participation by Age (1993)

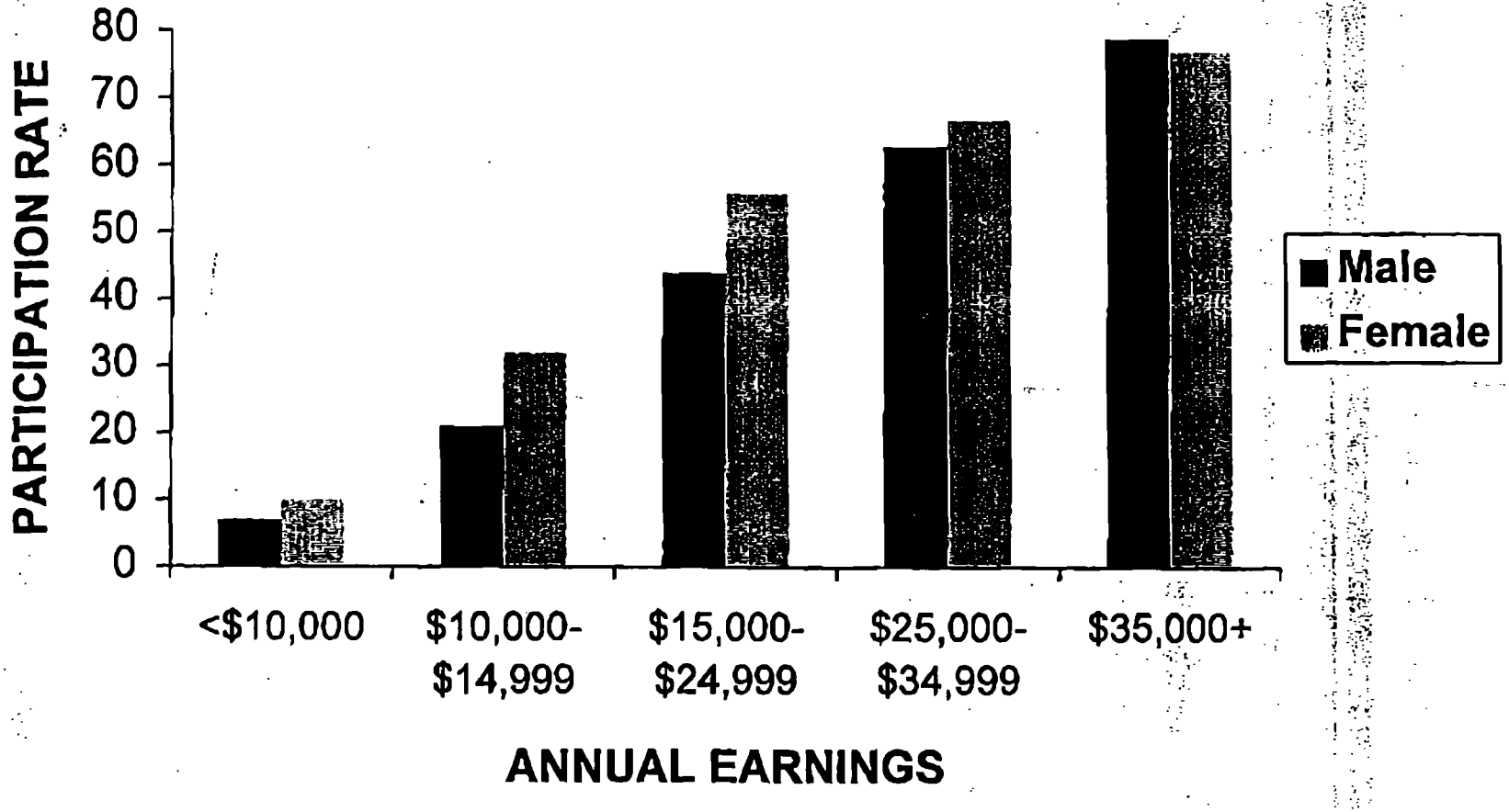
Full Time/Full Year Workers



Source: PWBA Tabulations of the Employee Benefits Supplement to the April, 1993 Current Population Survey.

Participation by Earnings (1993)

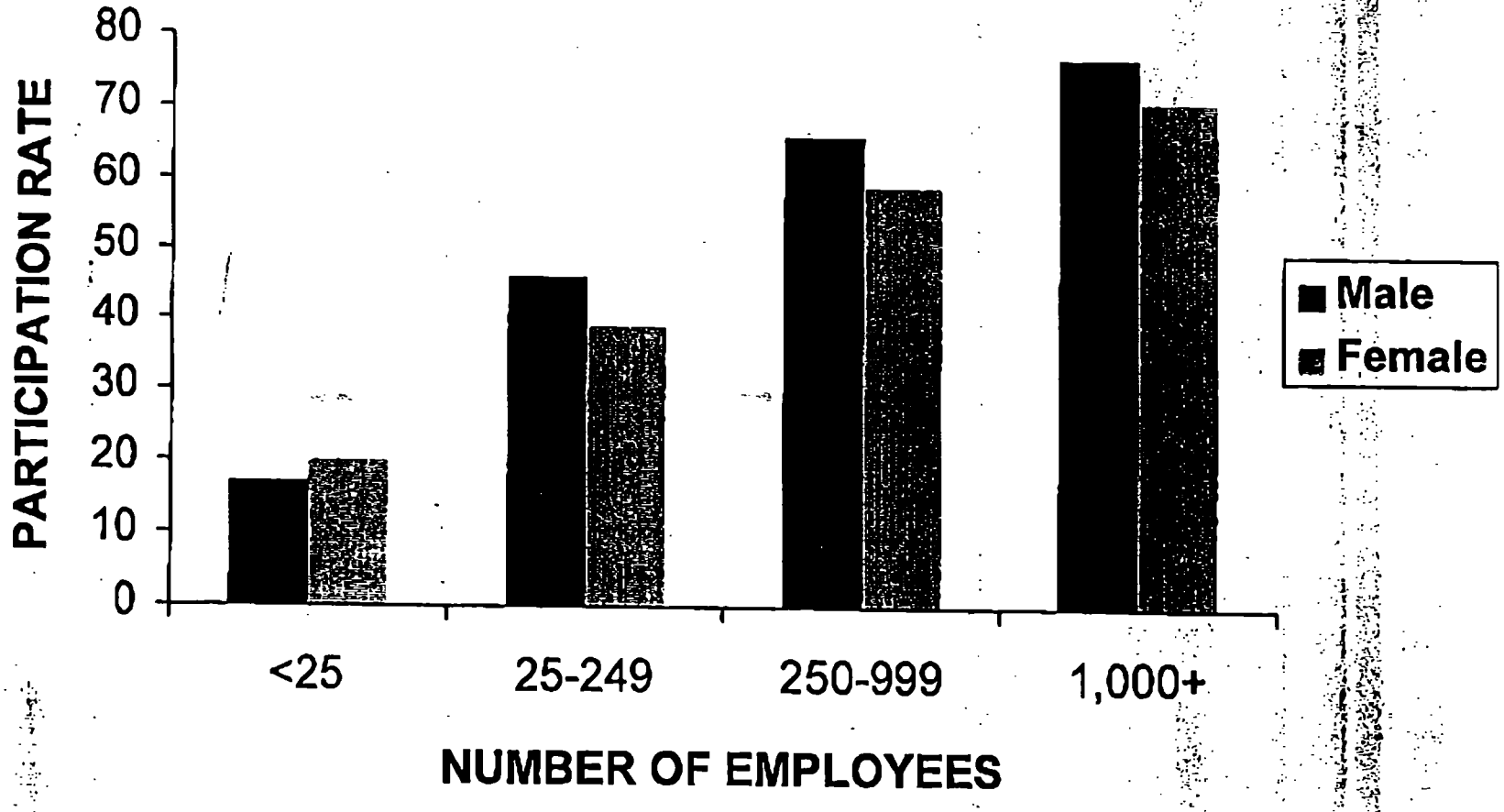
Full Time/Full Year Workers



Source: PWBA Tabulations of the Employee Benefits Supplement to the April, 1993 Current Population Survey.

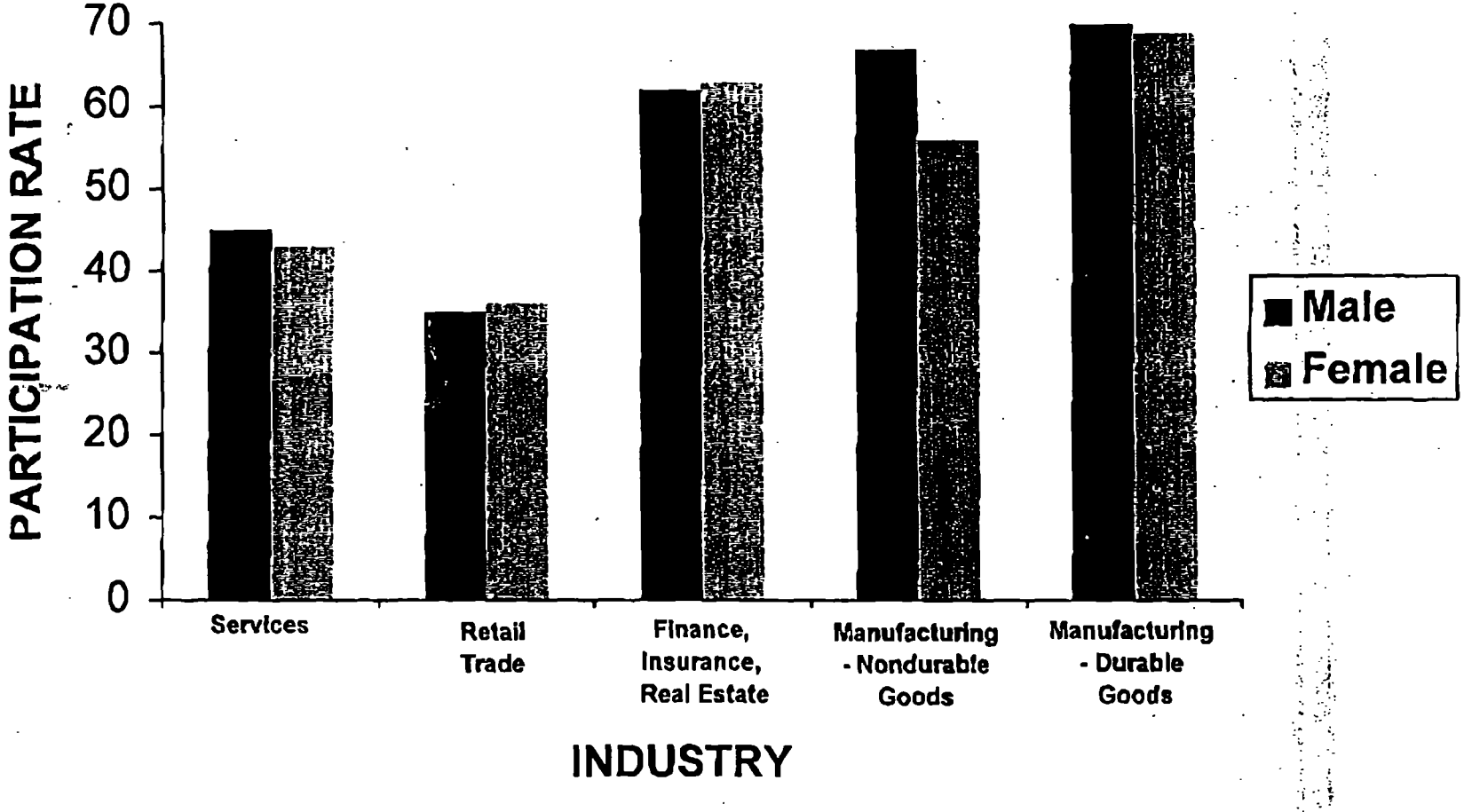
Participation by Firm Size (1993)

Full Time/Full Year Workers



Source: PWBA Tabulations of the Employee Benefits Supplement to the April, 1993 Current Population Survey.

Participation by Selected Industries (1993) *Full Time/Full Year Workers*



Source: PWBA Tabulations of the Employee Benefits Supplement to the April, 1993 Current Population Survey.

Table 2: Private Employer Pension Participation Rates: All Wage and Salary Workers 16 or Older

by workforce attachment, gender and age

	Workforce attachment							
	Total		FT/FY		PT/FY		FT/PY or PT/PY	
	# of workers (In thousands)	% Participate	# of workers (In thousands)	% Participate	# of workers (In thousands)	% Participate	# of workers (In thousands)	% Participate
Total								
Total	88,679	43	68,643	52	12,064	15	7,972	13
Age								
Less than 25 years	15,089	13	7,955	22	4,603	4	2,532	1
25-34 years	25,827	42	21,466	48	2,475	18	1,886	12
35-49 years	31,734	54	26,945	59	2,790	26	1,999	22
50+ years	16,029	51	12,278	60	2,196	21	1,556	21
Gender								
Men								
Total	48,329	46	40,482	53	3,792	9	4,055	17
Age								
Less than 25 years	7,818	13	4,390	21	2,131	3	1,297	4
25-34 years	14,307	44	12,693	48	590	14	1,025	13
35-49 years	17,324	59	16,004	62	404	20	917	31
50+ years	8,879	54	7,396	60	667	19	816	26
Women								
Total	40,351	39	28,161	50	8,272	18	3,918	10
Age								
Less than 25 years	7,271	13	3,565	24	2,471	4	1,235	1
25-34 years	11,520	40	8,773	48	1,885	19	861	12
35-49 years	14,409	48	10,941	56	2,386	27	1,082	14
50+ years	7,150	46	4,881	58	1,529	22	739	15

SOURCE: Employee Benefits Supplement to the April, 1993 Current Population Survey.
FT/FY - Full Time/Full Year Worker.
PT/FY - Part Time/Full Year Worker.
FT/PY - Full Time/Part Year Worker.
PT/PY - Part Time/Part Year Worker.
NOTE: Measures do not generally reveal reliable information when worker total counts are less than 75 thousand.

Table 3: Private Employer Pension Participation Rates: All Wage and Salary Workers 16 or Older

by workforce attachment, gender and annual earnings

	Workforce attachment							
	Total		FT/FY		PT/FY		FT/PY or PT/PY	
	# of workers (In thousands)	% Participate	# of workers (In thousands)	% Participate	# of workers (In thousands)	% Participate	# of workers (In thousands)	% Participate
Total								
Total	88,679	43	68,643	52	12,064	15	7,972	13
Annual earnings								
Less than $10,000	15,061	7	3,494	9	7,457	7	4,110	5
$10,000-14,999	13,617	26	11,101	27	1,660	24	857	18
$15,000-24,999	22,313	49	20,333	50	1,169	43	811	31
$25,000-34,999	13,071	64	12,500	64	246	62	324	55
$35,000 and over	16,153	78	15,651	78	218	58	284	65
No response	8,464	21	5,564	29	1,314	6	1,586	6
Gender								
Men								
Total	48,329	46	40,482	53	3,792	9	4,055	17
Annual earnings								
Less than $10,000	5,461	5	1,370	7	2,432	4	1,658	5
$10,000-14,999	5,593	20	4,683	21	359	17	550	15
$15,000-24,999	11,378	43	10,532	44	266	36	580	25
$25,000-34,999	8,128	63	7,848	63	49	75	231	58
$35,000 and over	12,439	78	12,135	79	83	47	222	71
No response	5,331	24	3,914	29	603	6	814	10
Women								
Total	40,351	39	28,161	50	8,272	18	3,918	10
Annual earnings								
Less than $10,000	9,601	8	2,124	10	5,024	9	2,452	5
$10,000-14,999	8,025	30	6,417	32	1,301	26	307	23
$15,000-24,999	10,935	55	9,801	56	903	45	231	45
$25,000-34,999	4,943	66	4,652	67	198	59	93	48
$35,000 and over	3,714	76	3,517	77	135	65	62	44
No response	3,133	16	1,650	28	711	6	772	2

SOURCE: Employee Benefits Supplement to the April, 1993 Current Population Survey.
FT/FY - Full Time/Full Year Worker.
PT/FY - Part Time/Full Year Worker.
FT/PY - Full Time/Part Year Worker.
PT/PY - Part Time/Part Year Worker.
NOTE: Measures do not generally reveal reliable information when worker total counts are less than 75 thousand.

Table 4: Private Employer Pension Participation Rates: All Wage and Salary Workers 16 or Older

by workforce attachment, gender and firm size

	Workforce attachment							
	Total		FT/FY		PT/FY		FT/PY or PT/PY	
	# of workers (In thousands)	% Participate	# of workers (In thousands)	% Participate	# of workers (In thousands)	% Participate	# of workers (In thousands)	% Participate
Total								
Total	88,679	43	68,643	52	12,064	15	7,972	13
Firm size								
Less than 25 workers	22,895	14	15,462	18	4,132	6	3,301	5
25-249 workers	18,230	38	14,851	43	1,758	13	1,622	16
250-999 workers	8,322	57	7,021	63	822	21	479	31
1,000+ workers	32,240	66	26,543	74	4,064	27	1,633	24
Don't know	6,591	29	4,456	40	1,228	5	907	10
No response	401	41	311	48	60	17	30	14
Gender								
Men								
Total	48,329	46	40,482	53	3,792	9	4,055	17
Firm size								
Less than 25 workers	12,568	14	9,524	17	1,270	3	1,773	6
25-249 workers	10,132	43	8,845	46	444	13	843	23
250-999 workers	4,277	62	3,815	66	258	8	204	48
1,000+ workers	17,599	70	15,509	77	1,337	16	753	28
Don't know	3,534	32	2,598	40	474	5	462	13
No response	219	49	191	54	9	-	19	22
Women								
Total	40,351	39	28,161	50	8,272	18	3,918	10
Firm size								
Less than 25 workers	10,327	14	5,937	20	2,862	7	1,527	3
25-249 workers	8,098	32	6,006	39	1,314	12	779	9
250-999 workers	4,045	52	3,205	59	564	27	276	19
1,000+ workers	14,641	60	11,034	71	2,727	33	879	20
Don't know	3,057	26	1,858	39	754	6	445	7
No response	182	30	120	38	51	20	11	-

SOURCE: Employee Benefits Supplement to the April, 1993 Current Population Survey.
FT/FY - Full Time/Full Year Worker.
PT/FY - Part Time/Full Year Worker.
FT/PY - Full Time/Part Year Worker.
PT/PY - Part Time/Part Year Worker.
NOTE: Measures do not generally reveal reliable information when worker total counts are less than 75 thousand.

Table 5: Private Employer Pension Participation Rates: All Wage and Salary Workers 16 or Older

by workforce attachment, gender and industry

	Workforce attachment							
	Total		FT/FY		PT/FY		FT/PY or PT/PY	
	# of workers (In thousands)	% Participate	# of workers (In thousands)	% Participate	# of workers (In thousands)	% Participate	# of workers (In thousands)	% Participate
Total								
Total	88,679	43	68,643	52	12,064	15	7,972	13
Industry								
Agriculture, forestry, & fisheries	1,360	9	927	14	152	-	281	0
Mining	648	68	595	71	9	48	44	39
Construction	4,868	31	3,570	35	187	18	1,110	20
Manufacturing:								
Durable goods	10,714	67	10,125	70	267	22	322	28
Nondurable goods	8,095	59	7,228	63	455	15	412	29
Transportation	4,064	50	3,432	52	385	39	247	29
Communications and public utilities	2,426	80	2,322	82	70	28	33	77
Trade:								
Wholesale	4,426	49	3,976	53	233	12	217	8
Retail	18,175	26	11,467	36	4,970	10	1,738	4
Finance, insurance and real estate	6,927	56	5,854	63	761	24	313	13
Services	26,975	35	19,146	44	4,574	17	3,256	12
Gender								
Men								
Total	48,329	46	40,482	53	3,792	9	4,055	17
Industry								
Agriculture, forestry, & fisheries	1,079	9	764	12	77	-	239	1
Mining	511	68	471	72	5	-	36	30
Construction	4,414	31	3,213	35	110	12	1,091	20
Manufacturing:								
Durable goods	8,006	68	7,644	70	140	15	222	30
Nondurable goods	4,817	64	4,462	67	178	12	178	39
Transportation	3,046	49	2,693	52	204	35	148	27
Communications and public utilities	1,499	78	1,434	80	40	33	25	70
Trade:								
Wholesale	3,048	51	2,834	54	61	9	153	9

See footnotes at end of table.

tinued): Private Employer Pension Participation Rates: All Wage and Salary Workers 16 or Older

by workforce attachment, gender and industry

	Workforce attachment							
	Total		FT/FY		PT/FY		FT/FY or PT/FY	
	# of workers (In thousands)	% Participate	# of workers (In thousands)	% Participate	# of workers (In thousands)	% Participate	# of workers (In thousands)	% Participate
.....	8,855	26	6,354	35	1,770	4	732	6
e and								
.....	2,592	57	2,291	62	202	12	100	19
.....	10,461	38	8,323	45	1,006	11	1,132	16
.....	40,351	39	28,161	50	8,272	18	3,918	10
stry, &								
.....	280	12	163	21	75	-	42	-
.....	137	69	125	68	4	100	8	75
.....	454	32	357	34	77	26	19	18
.....	2,708	65	2,481	69	127	10	100	24
.....	3,278	50	2,767	56	277	17	234	20
.....	1,018	51	738	55	181	44	99	33
l public								
.....	927	83	889	85	31	22	7	100
.....	1,378	44	1,142	50	172	14	64	6
.....	9,320	25	5,113	36	3,200	13	1,006	3
e and								
.....	4,335	56	3,563	63	559	28	213	10
.....	16,514	33	10,823	43	3,568	19	2,124	9

Benefits Supplement to the April, 1993 Current Population Survey.
Full Year Worker.
Full Year Worker.
Part Year Worker.
Part Year Worker.
not generally reveal reliable information when worker total counts are less than 75 thousand.

U.S. Department of Labor

Assistant Secretary for
Pension and Welfare Benefits
Washington, D.C. 20210

DATE: 11-9-95

TO: Jennifer Klein

AGENCY: White House

TELEPHONE NUMBER: _____ *FAX:* 456-2878

FROM: ***MEREDITH A. MILLER***
Deputy Assistant Secretary for Policy
Pension and Welfare Benefits Administration
U. S. Department of Labor
200 Constitution Avenue, NW, Room S-2524
Washington, DC 20210

COMMENTS:

NUMBER OF PAGES INCLUDING COVER SHEET 26

Should you experience any problems receiving this transmission, please call (202) 219-8233.

U.S. Department of Labor

Pension and Welfare Benefits Administration
Washington, D.C. 20210

November 9, 1995

MEMORANDUM FOR: MEREDITH MILLER
Deputy Assistant Secretary

FROM: JOHN TURNER
Deputy Director, OREA

SUBJECT: Transmittal of Fact Sheet

Because Dan is on leave today, I prepared the attached fact sheet, with the assistance of Patricia and Phyllis. I have focused on the type of health insurance coverage provided to women age 65 and older with different characteristics, in comparison to men.

HEALTH CARE COVERAGE FOR ELDERLY WOMEN

The primary source of health insurance coverage for the elderly is Medicare. In 1993, 96% of the elderly aged 65 and older received health insurance coverage through Medicare.

To help pay for the deductible and copayments required by Medicare and services not covered by Medicare, many elderly obtain supplemental coverage. In 1992, for women aged 65 and older, 28% had employer-provided coverage, 39% had other private coverage (primarily individually purchased), and 97% had public sector coverage (primarily Medicare; for a small percentage, Medicare plus Medicaid). Public sector coverage among retired elderly women was 98%. Men had considerably higher employer-provided coverage (40%), lower other private coverage (30%), and were similar in terms of public coverage (96%).

Coverage by employer-provided retiree health benefits is much greater for retirees who had worked in the public sector than for those who had worked in the private sector. In 1994, 46% of female retirees aged 65 and older who had worked in the public sector had employer-provided health benefits, in comparison to 16% in the private sector.

Marital status is an important determinant of health insurance coverage among elderly women. Among married women aged 65 and older in 1992, 42% had employer coverage, in comparison to 18% of unmarried women.

The relationship between marital status and privately purchased coverage differs between men and women. Unmarried women were more likely to have individually purchased coverage (42%) than married women (34%). The reverse pattern held for unmarried men (26%) versus married men (31%).

Family income is another important factor associated with the probability of health insurance coverage. Among elderly women with annual family income of less than $30,000, 21% had employer health insurance coverage, in comparison to 46% of elderly women with family income of $30,000 or more.

Comparison (not available by gender) of data collected in the August 1988 CPS supplement with data collected in the September 1994 CPS supplement indicate that there has been a significant erosion in the availability of employer-provided retiree health benefits, an increase in the costs borne by retirees, and an associated decline in the propensity to enroll in the plans when offered.

Mailed it per your request Jay

News Release

U.S. Department of Labor

Office of Public Affairs
Washington, D.C.

PENSION AND WELFARE BENEFITS ADMINISTRATION

CONTACT: LINDA JACKSON
OFFICE: (202) 219-8921

USDL: 95-431
FOR RELEASE: IMMEDIATE
Tues., Oct. 24, 1995

LABOR DEPARTMENT ATTENTION ON WOMEN AND PENSIONS

The Department of Labor's Assistant Secretary for Pension and Welfare Benefits, Olena Berg, announced today during a keynote address at a forum on women and pensions that women are a particular focus of the department's Retirement Savings Education Campaign.

The campaign is a national effort to raise public awareness about pensions and the need to adequately prepare and save for a secure retirement.

Women are one of the groups targeted by the campaign because they have always needed to take greater responsibility for their retirement planning. Berg released a summary of statistics that illustrate the challenges women face in preparing for retirement. She noted that "data we have now makes it clear that women are particularly at risk of finding themselves financially unprepared for retirement."

During her speech at the National Press Club at a women's pension policy conference, Berg highlighted pension trends that show women are at greater risk than men of not having adequate retirement income. These trends show:

-- Women are less likely to have earned pension benefits during their working years than their male counterparts.

-- Even where they have coverage, women's benefit levels are considerably lower than men.

-- Fewer women choose to participate in 401(K) plans than men and invest more conservatively than men.

-more-

Berg noted, however, that "while the status of women in our current retirement income system poses a real challenge for all of us, there are reasons to be optimistic that this is a challenge that we can meet." Among the promising trends noted by Berg were the dramatic narrowing of the pension gap between men and women over the last two decades and the fact that female private wage and salary workers under age 35 have slightly higher coverage rates than men.

The department has produced a new brochure, "The Top Ten Ways to Prepare for Retirement," with simple steps that can be taken to help all Americans prepare for retirement. The brochure also includes a list of organizations and phone numbers where people can get additional information on retirement planning issues. For copies of this brochure, call (202) 219-9247.

# # #

This information will be made available to sensory impaired individuals upon request. Voice phone call (202) 219-7316, TDD phone 1-800-326-2577.

THE RETIREMENT SAVINGS EDUCATION CAMPAIGN

Remarks of Olena Berg
Assistant Secretary of Labor for Pension and Welfare Benefits
National Press Club
October 24, 1995

- I am pleased to be here at the invitation of the Women's Pension Policy Consortium and ACLI to discuss the Department of Labor's recently launched campaign to educate Americans on the importance of savings and planning for retirement.

- I salute both of these organizations for their outstanding work educating American women of all ages and backgrounds on basic savings and pension issues.

- The theme of our campaign is "Save! Your Retirement Clock is Ticking." It is an effort to raise public awareness about the importance of pensions and the need to save and prepare for retirement.

- We have assembled a broad-based partnership of many influential organizations -- including ACLI and the Consortium -- who are committed to spreading an educational message that we hope will reach every American worker.

- But before I get into the specifics of our campaign, I would like to lay out for you why women are a particular focus of our efforts.

- My agency, the Pension and Welfare Benefits Administration, oversees enforcement of ERISA, the federal law governing private employer-provided pension, health and other benefits.

- Part of PWBA's responsibility to the public is to field questions regarding health and pension benefits. All told we receive approximately 160,000 calls and letters a year from American workers across the country.

- We track these calls and letters to gauge the level of understanding of pension and benefit issues, and what we have encountered is a distressing level of misunderstanding. Too many Americans are unaware of the fundamentals of retirement planning.

- We hear every day from men and women who "didn't know that they didn't know" the facts about their pension plans and about retirement savings.

- We get letters and calls from women who have reached retirement only to find that their pensions are insufficient to sustain them. These are truly gut-wrenching letters.

One came from a woman who had worked for 18 years but was receiving only $31 a month from her company pension. Another came from a woman who, after working for the same company for 40 years was receiving only $86 a month.

- "Could you please let me know if I'm entitled to a larger amount of pension?" she wrote. "I am ashamed to tell anyone how much pension I receive because when I do they can't and don't believe that $86 per month is all I get for 40 years of service."

- In most cases, the answers lie in peoples' work histories and in the provisions of their pension plans. For instance, integration with Social Security, vesting requirements, and break-in-service provisions can all profoundly affect benefits. But too often people are simply unaware of these provisions until after they retire.

- One of the reasons that women will be a particular focus of our campaign is to ensure that women don't find themselves in such situations.

- And there are important indications that women are particularly at risk of finding themselves financially unprepared for retirement.

- For one thing, women live longer than men -- which means that any money they do have saved at retirement will have to last longer. But because few retirees receive cost of living adjustments in retirement, the odds are that many women will get poorer as they get older. In fact, older women are twice as likely as older men to have incomes below the poverty line.

- Furthermore, women are less likely to have earned pension benefits during their working years than their male counterparts. Today approximately 48% of men in the private-sector workforce are covered by private pension plans, while the coverage rate for women is 39%. And for today's retirees the gap is more significant: 55% of all male retirees age 55 and over received pension benefits in 1994. In contrast, only 32% of women retirees received them.

- Why do fewer women ultimately receive a pension benefit? There are three main reasons. First, their work histories are different. Women are more likely to work part-time, or on a temporary or seasonal basis, or to take time off to raise children.

- Second, women are more likely to work in small firms and in occupations that have lower pension coverage.

- And third, women earn less money than men. According to 1994 Census Bureau data, women working on a full year, full time basis earn only 72 cents for every dollar earned by men.

- This wage gap has a profound effect on women's ultimate financial security in retirement.

- First, there is the obvious fact that if you make less money you have less discretionary income to save for anything else, especially something that seems as far away as retirement.

- Additionally, because retirement benefits are usually based on an employee's salary, low wages during working years lead to lower benefits in retirement.

- Traditional defined benefit plans are set up to reward higher paid, longer service workers -- a work pattern that has been more common among men than among women.

- Generally, these plans base their formula for benefit payments on a percentage of compensation multiplied by years of service with the company. So because women earn lower wages and frequently have shorter job tenures, women's benefit levels are considerably lower than those of men. In 1993, for example, the median amount of pension benefits received by new female retirees was half of that received by new male retirees.

- Low wages also hurt women in defined contribution plans, such as 401(k) plans, in which an employee's retirement income depends on the investment results of monies contributed to his or her account.

- Because most single women's wages are required to meet daily needs, they have a hard time affording to contribute to their plans. Indeed, only 65% of women offered the opportunity to participate in a 401(k) plan do so.

- And even women who do participate in a 401(k) plan may not have the information they need to ensure sound retirement income. For instance, women tend to invest more conservatively than men, investing in fixed income securities that produce a lower rate of return over the long haul, therefore potentially leaving them with less assets for retirement. To cite one readily available example, a study of the federal Thrift Savings Plan, which is the government equivalent of a 401(k) plan, showed that in 1990, 45% of male participants invested in the common stock fund, compared to only 28% of the female participants.

- And when women leave jobs and are presented with the choice of preserving their 401(k) retirement savings or pocketing it, too many women are taking the latter course. In 1993, 81% of women who received lump sum distributions did not roll over all the money into an IRA or another retirement plan. This trend is certainly cause for concern.

- But I would hate for you to leave here today with the wrong impression. While the status of women in our current retirement income system poses a real challenge for all of us, there are also reasons for optimism.

- For one thing, many women plan for retirement as an economic unit with their spouses. Household pension rates greatly exceed coverage rates for men and women individually: approximately 3/4 of married couples over the age of 45 will get some kind of pension benefit in retirement.

- Additionally, in spite of the fact that overall pension coverage has remained relatively static over the past two decades, the gap between men's and women's coverage has dramatically narrowed.

- In 1972, only 38% of women working full time in the private sector participated in pension plans. By 1993, 48% -- approximately one-half -- were covered under their employers' pension plans. During the same period the coverage rate for men dropped slightly, from 54% to 51%.

- And in fact there are some areas of the country where women achieve higher pension rates than men. [For anybody interested in a state-by-state breakdown of these numbers, I have tables and fact sheets for distribution.]

- And perhaps most interestingly, if you compare women in similar situations with men -- that is if you control for variables such as firm size, age, and income -- often women's coverage rates are about as high, or even higher, than those of men.

- For example, if you compare part-time, full year working men to part-time, full year working women, women are twice as likely to have pension coverage.

- And in small businesses with less than 25 employees, full-time, full year women employees have higher coverage rates than men.

- Finally, the coverage pattern for young age groups suggests that the future may be different from the past. In 1993, for example, for full time, private wage and salary workers under 35 years of age, women's pension coverage rates were higher than those of men.

- While these trends are reassuring, we should not be complacent.

- And that brings me back to the Department's Retirement Savings Education Campaign and our efforts to increase public awareness of basic pension and retirement planning issues.

- I am convinced that the more women understand about pensions and planning for retirement, the more likely they are to demand plans at work, and the less likely they are to find themselves in the situations faced by the women who call our offices every day.

- Women must understand the realities of retirement and what that means in terms of ensuring pension coverage and putting money away today to sustain their standard of living in retirement tomorrow. Women need to be more aware that the decisions they make now directly affect their prospects for retirement security.

- Our Campaign is designed to help achieve this goal.

- Our strategy is really very simple. Secretary of Labor Robert Reich and I are committed to doing everything that we can to heighten interest in the issue of retirement security, whether it be through Public Service Announcements, newspaper and magazine articles, TV appearances, or forums like our gathering today.

- At the heart of our effort is a simple brochure -- "Top 10 Ways to Beat the Clock and Prepare for Retirement" -- which explains in plain English ten steps all of us can take to plan for our golden years.

- As Secretary Reich likes to say, there's already a *sea* of information out there -- on retirement planning, investment strategy, and personal finance. But the sea is so wide and so deep, it's intimidating to jump in. So we've created a smaller, friendlier, information *pond*. People can read the brochure quickly, learn some important things, and get more detailed facts by dialing the telephone numbers listed on the back.

- We have also updated our free booklets on basic pension rights and how small firms can set up Simplified Employee Pension plans.

- But most importantly, we will act as a catalyst for the many private sector organizations interested in pensions and retirement planning. We now have over 70 organizations who have signed on and are working with us on this campaign, and the list is continuing to grow. Our partners range from the AFL-CIO and Pension Rights Center to the American Bankers Association, the Investment Company Institute, and the Securities Industry Association.

- Many of these groups have been independently conducting their own educational efforts and research. Through our campaign, we will leverage each other's work to more broadly disseminate retirement information.

- Our partners' efforts include printing and distributing copies of our educational materials -- 370,000 at last count -- sponsoring events aimed at educating the public and promoting the retirement planning and savings message, assisting in the production and placement of public service announcements, and maintaining a resource list of people and organizations to which people can turn for more information.

- So, we in the Clinton Administration are doing what government is uniquely situated to do -- acting as a catalyst to draw attention to these issues -- and there are the experts like Grace Weinstein and Martha Priddy Patterson, who you'll be hearing from today. They'll do what they do best -- provide information and advice.

- But, we have to recognize that ensuring that all Americans, men and women alike, are financially prepared for retirement is a complicated task and can't be accomplished overnight.

- So I can't overstate the importance of events like today's. Both the Women's Pension Policy Consortium and ACLI have been instrumental in stressing the need for every individual to take stock of his or her retirement savings situation and start planning for the future -- and I applaud them for doing so. Events like this can make a difference.

- Through our public education campaign, and the continued good work of all of you here today, we hope that all Americans can be provided with the information necessary to help them take the first steps towards financial security in retirement.

# # #

AAHSA

Spring Legislative/Management Conference & Exposition
March 19-22, 1996
Washington, DC

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NINE DIFFERENT WAYS:

How the Budget Hurts Older Americans

Report of the

LEADERSHIP COUNCIL OF AGING ORGANIZATIONS

NINE DIFFERENT WAYS:

HOW THE BUDGET HURTS OLDER AMERICANS

REPORT OF THE
LEADERSHIP COUNCIL OF AGING ORGANIZATIONS:

Alliance for Aging Research, Alzheimer's Association, American Association for International Aging, American Association of Homes and Services for the Aging, American Association of Retired Persons (AARP), AFL-CIO Department of Employee Benefits, AFSCME Retiree Program, American Foundation for the Blind, American Geriatrics Society, American Society on Aging, Asociacion Nacional pro Personas Mayores, Association for Gerontology in Higher Education, Association for Gerontology and Human Development in Historically Black Colleges and Universities, B'nai B'rith Center for Senior Housing and Services, Catholic Golden Age, Eldercare America, Inc., Families USA, The Gerontological Society of America, Gray Panthers, Green Thumb, Inc., National Asian Pacific Center on Aging, National Association for Home Care, National Association of Area Agencies on Aging, National Association of Foster Grandparent Program Directors, National Association of Meal Programs, National Association of Nutrition and Aging Services Programs, National Association of Retired and Senior Volunteer Program Directors, Inc., National Association of Retired Federal Employees (NARFE), National Association of Senior Companion Project Directors, National Association of State Units on Aging, National Caucus and Center on Black Aged, Inc., National Committee to Preserve Social Security and Medicare, National Council of Senior Citizens (NCSC), National Council on the Aging, Inc., National Hispanic Council on Aging, National Osteoporosis Foundation, National Senior Citizens Law Center, National Senior Service Corps Directors Associations, North American Association of Jewish Homes and Housing for the Aging, Older Women's League, United Auto Workers Retired Members Department

EXECUTIVE SUMMARY
NINE DIFFERENT WAYS:
HOW THE BUDGET HURTS OLDER AMERICANS
Report of the Leadership Council of Aging Organizations

The news media have reported on massive cuts in programs vital to older Americans; but they have not yet focused on the cumulative impact of those cuts. As Congress embarks on the most drastic changes in the social safety net in history, these multiple cuts will do far more damage than has been reported.

1. Congress Cuts Medicare $270 Billion Part B premiums rise from $46.10 to almost $90 a month by 2002. Senate plan doubles Part B deductibles from $100 a year to $210 by 2002. Beneficiaries needing certain hospital outpatient services would pay even more than the 50% coinsurance they now pay.

2. Congress Cuts Medicaid Long Term Care Medicaid spending would be cut by $170 billion over seven years. Federal standards for eligibility, services, payment, and quality would be seriously weakened. The House would allow states to force people to sell the family home to qualify for long term care and end federal protection from nursing home abuse.

3. Congress Cuts Medicaid Acute Care Under the House proposal, current federal requirements to pay Medicare deductibles and coinsurance for low-income Medicare beneficiaries would be ended. The Senate would eliminate current federal requirements to pay Medicare premiums, deductibles, and coinsurance for low-income beneficiaries.

4. Welfare Reform and Grandparents During the last decade the number of grandparents raising grandchildren climbed 40%. Most have household incomes under $20,000 per year. Reforms will make it more difficult to obtain aid for their grandchildren.

5. Food Stamps Block grants offer no assurance that even minimal protections for older people would be retained by states, making access to benefits still more difficult.

6. Supplemental Security Income Individual states may slash or eliminate SSI supplementary benefits. Cash benefits for institutionalized elderly covered by Medicare or private insurance would be capped at $30 a month.

7. Housing Assistance Older people make up approximately one-third of all public housing residents. Operating subsidies and modernization funds for public housing would be cut by 14 and 33 percent respectively from 1995 levels. Rents will be raised for residents of privately owned section 8 subsidized units; 46 percent are elderly.

8. Low Income Home Energy Assistance Program The Senate recommendation is for a 32 percent cut. Nearly 2 million households could lose their energy assistance.

9. Older Americans Act – Human Services, Legal Services, Aging Research, Training Cuts will mean 6.2 million fewer meals at senior centers and 5.6 million fewer to homebound elders. Research on aging issues, funded under Older Americans Act Title 4, has been severely cut or eliminated. Senate cuts funds 80%. House bill eliminates funding. Elderly and disabled transportation program cut $7.5 million. Legal Services Corp. and legal assistance under Older Americans Act severely cut.

NINE DIFFERENT WAYS:

How the Budget Hurts Older Americans

Report of the Leadership Council of Aging Organizations

The news media have reported on the massive cuts in programs vital to older Americans; but they have not yet focused on the cumulative impact of those cuts. For many vulnerable elderly, these multiple cuts, piled one on top of the other, will do far more damage than has been reported.

Congress is embarking on the most drastic changes in the social safety net in the history of our nation. The budget reconciliation bills would cut Medicare by $270 billion over seven years, end any entitlement to public assistance and Medicaid and turn them into block grants to the states. The bills will limit or eliminate SSI benefits for certain aged, disabled or non-citizen beneficiaries and make major cuts in food stamp, housing support programs, home heating, nutrition, and a variety of other programs. All this comes at the expense of the nation's most vulnerable populations. At the same time Congress is cutting taxes by $245 billion, including massive tax reductions for big corporations and wealthy individuals.

1 Congress Cuts Medicare $270 Billion

In 1995, the average Medicare beneficiary pays $2,750 in out-of-pocket health care costs. The House and Senate proposals to increase premiums and deductibles will increase that amount significantly.

The House and Senate plans double Part B premiums from $46.10 in 1995 to almost $90 a month by 2002. The Senate plan doubles Part B deductibles, currently $100 per year, to $210 by the year 2002. While the current limit on physician balance billing in the traditional Medicare fee for service program would remain in place, limits would likely not apply to the new coverage options outlined in the plan. Beneficiaries in the traditional program who need certain hospital outpatient services would pay even more than the 50% coinsurance they are paying today.

It doubles Part B deductibles, currently $100 per year, to $210...

Most of the proposed cuts in Medicare spending—approximately $150 billion— come from lowering fees to doctors, hospitals and other providers. Medicare already pays physicians and hospitals only about two-thirds as much as private insurers. These additional cuts could create serious disincentives for doctors to treat Medicare fee-for-service patients, or could reduce the quality of care.

Payments to doctors, hospitals and other providers would be further reduced under the House bill, if total fee-for-service costs are projected to exceed a cap, known as a "fail-safe" mechanism. Proposed changes in the ways home health agencies are paid, included in both the House and Senate plans, could reduce ac-

cess to home health services by persons who need care for an extended period (over 120 days).

The proposals would also make unprecedented changes in the way many Medicare beneficiaries receive care. Beneficiaries would be permitted to stay in the traditional fee for service program, but could also choose new coverage options, including new managed care plans, medical savings accounts, and provider-sponsored networks. If healthier beneficiaries choose the new options, leaving sicker beneficiaries in the traditional program, costs in the traditional program would rise. Another risk is that Medicare payments will not keep pace with the actual costs of coverage, so that purchasing power is eroded and seniors will have to pay higher premiums or receive reduced coverage.

2 Congress Cuts Medicaid Long Term Care

Almost two-thirds of nursing home residents receive assistance from Medicaid. Most are elderly women. Medicaid pays more than half the nation's nursing home bill, including care for thousands of middle class older Americans who have spent nearly all their assets paying the average $38,000 annual nursing home fee.

Although Congressional proponents of Medicaid reductions say their plan does not cut Medicaid, it only limits the rate of growth, projected Medicaid spending would be cut by $170 billion over seven years. Growth in Medicaid costs would be held to an average of approximately four percent a year compared to a projected annual growth rate of about 10 percent. Federal Medicaid dollars to the states would be capped regardless of changes in inflation or need and federal standards for eligibility, services, payment, and quality would be seriously weakened, especially in the House bill.

States would have to choose between paying for enforcement of tough standards themselves, or once again leaving nursing homes without consistent standards.

The program would be turned into a block grant to the states. Under the block grant, states could decide to eliminate coverage for high cost services such as institutional long term care. Or if states chose to continue covering institutional care, they might severely cut coverage of home and community services—the settings preferred by the vast majority of people with disabilities.

The House proposal would allow states to force individuals to sell the family home in order to qualify for Medicaid long term care.

Major improvements in nursing home quality standards were enacted in 1987, after an Institute of Medicine report documented the problems in care for the elderly. Currently, every nursing home in the nation is inspected annually. Under the House proposal, the federal government would make states responsible for monitoring nursing homes. States would have to choose between paying for the enforcement of tough standards themselves, or once again leaving nursing homes without consistent standards.

3 Congress Cuts Medicaid Acute Care

Beyond long term care expenses, vulnerable older Americans get assistance from Medicaid in a number of ways. For elderly people living in poverty, Medicaid pays their Medicare premiums, deductibles, and coinsurance requirements (these beneficiaries are termed Qualified Medicare Beneficiaries or QMBs). For low-income Medicare beneficiaries (income between 100 and 120 percent of poverty), Medicaid pays only their Medicare premium. For the poorest elderly, those meeting the SSI eligibility criteria (income below 75% of poverty), Medicaid covers services that Medicare does not cover such as prescription drugs, hearing aids, and eye glasses. Medicaid also pays their Medicare premium, deductible, and coinsurance. Under the House and Senate proposals, current federal requirements to pay Medicare deductibles and coinsurance for low-income Medicare beneficiaries would be eliminated. Although there will be minimal requirements for states to pay Medicare premiums, an additional 4.8 million people could be left without assistance to pay Medicare out of pocket costs. Such assistance would be left to the states to cover at their option. The same would be true of coverage of Medicaid services for the poorest elderly, including important services not covered by Medicare. Both proposals eliminate the individual entitlement to Medicaid for SSI recipients, leaving states to determine eligibility for Medicaid services.

...current federal requirements to pay Medicare deductibles and coinsurance for low-income Medicare beneficiaries would be eliminated.

Although it is unlikely states will abandon all coverage of elderly individuals, the magnitude of the cuts—30 percent by 2002—makes it unlikely that states can continue their current commitment to the elderly. Medicaid eligibility for the elderly is likely to be reduced and many low-income elderly would also be at risk of losing their Medicare coverage. Today, 68 percent of all elderly living in poverty rely on Medicare alone (40%) or Medicaid and Medicare (28%) for their health care coverage. Without assistance from Medicaid, many low-income elderly would not be able to afford their Medicare coverage, let alone private supplemental coverage for services Medicare does not cover. Low-income elderly individuals would be forced to choose between paying their Medicare out-of-pocket expenses or paying rent and other basic needs.

4 Welfare Reform and Grandparents

Much of the current welfare reform debate has centered on developing policies for children being raised in poverty by single mothers. While there are many children who fit this description, a growing number of children are in the care of someone other than a parent, and in many cases, that someone is a grandparent. During the last decade the number of grandparents raising grandchildren has increased by 40 percent.

Many grandparents raise their grandchildren not out of choice but out of ne-

cessity, and at great cost to themselves. Fifty-six percent of grandparent caregiver households have incomes of less than $20,000 per year. Twenty-seven percent live at or below the poverty level, which was $10,030 for a family of two in 1995. Because their own incomes are so modest, many of these grandparents depend on Aid to Families With Dependent Children (AFDC) to meet the needs of their grandchildren. Current reforms pending in Congress will make it more difficult for grandparents to obtain aid on behalf of grandchildren in their care.

...Congress will make it more difficult for grandparents to obtain aid on behalf of grandchildren in their care.

Among numerous other changes to AFDC, Congress intends to consolidate cash grant programs and related social service programs into block grants, to eliminate the entitlement to AFDC, and to limit the time that states can provide benefits to any individual. States would have no obligation to maintain their current level of state spending. As a consequence, some states may reduce benefit levels and tighten eligibility requirements. As a result of ending the entitlement to AFDC, Congress would force states to establish waiting lists, limit eligibility, or reduce benefits. This would be a hardship for grandparents who cannot afford to take care of their grandchildren without benefits, and for grandchildren who cannot afford to wait for benefits. And the time limits on benefits could create hardships for those entrusted with the care of young children. Absent a hardship waiver, a 64-year-old grandfather who assumes care of his 6-year-old grandson because of his mother's death would at most receive aid until the child reached age 11.

5 Food Stamps

Sweeping changes to the Food Stamp Program would end the federal framework for distribution of benefits, reduce benefits, and complicate the program's administration. If these reforms are adopted, the health of many low income elders—a population with little opportunity to improve its economic status—may be jeopardized. Block grants offer no assurance that even minimal protections for older people would be retained by states, making access to benefits still more difficult.

The Food Stamp Program is needs-based. Applicants must prove that their household income is below the maximum income allowed, based on family size. In general, a household must have gross income below 130 percent of the poverty level. In 1995 that was $809 per month for a household of one. In addition to having a low income, a Food Stamp household cannot have resources exceeding $2,000 in countable assets ($3,000 if the household includes a person aged 60 or older).

...no assurance that even minimal protections for older people would be retained...

The new legislation would allow states to design their own eligibility and benefit standards. As a consequence, there could be 50 different programs, using 50 different eligibility standards, and offering 50 different nutrition benefits. The House version would create a capped entitlement with almost no flexibility to respond to economic downturns that might cause increases in food stamp participation.. It would cap annual increases in allotment levels at 2 percent, regardless of

food price inflation, thus eliminating the critical link to basic nutrition standards.

The Senate version would reauthorize the program through FY 2002 with no cap. Both House and Senate versions would disqualify any childless adults who do not work or participate in workfare programs 20 hours per week. There is no requirement that states provide jobs, training, or workfare slots.

6 Supplemental Security Income

The maximum monthly federal SSI benefit for an individual living independently is $458 in 1995. Most recipients do not receive the maximum, however. The average benefit for an individual over 65 in 1995 is $143.62 per month, about one-quarter of the federal poverty line. The average benefit for an individual with a disability is $383.11, and for a blind person it is $363.94—both well below the poverty line.

Those who need SSI benefits because they are old and poor will have to wait longer...

As the states are required to take on more financial responsibility, individual states may drastically reduce or eliminate the supplementary benefits they provide for specific populations of SSI beneficiaries. Additionally, SSI cash benefits for institutionalized individuals who are covered by Medicare or private insurance will be capped at $30 per month. Those who need SSI benefits because they are old and poor will have to wait longer, if the House bill becomes law. The eligibility age for the SSI aged category increases from 65 to 67 in 2003.

The House bill eliminates benefits to those for whom drug addiction and alcoholism are a contributing factor in their disability. SSI recipients who are disabled solely because of drug and alcohol abuse will receive no help from SSI.

The House bill severely limits the access of non-citizens to SSI. It prohibits SSI eligibility for all non-citizens except: Refugees who have been in the US less than five years; lawful permanent residents over age 75 who have been in the US at least 5 years (not eligible in Senate bill); lawful permanent residents who cannot take the naturalization exam because of physical or mental impairment (not eligible in Senate bill); and residents who have enough quarters of coverage to receive Social Security (not eligible in House bill). The House bill also requires the income of sponsors to apply to new immigrant applicants.

7 Housing Assistance

Proposed spending reductions in federal housing programs, particularly public and Section 8 housing, would have a severe impact on older residents of federally assisted housing and those older householders who need but currently do not receive housing assistance. Over 500,000 older people live in public housing and they make up approximately one-third of all public housing residents. Under the House-passed appropriations bill, operating subsidies and modernization funds for public housing would be cut by 14 and 33 percent respectively ($400 million and $1.2 billion) from 1995 levels. These cuts will force the deferral of routine

maintenance and repairs, the loss of key personnel such as service coordinators, and the cancellation of major renovations, such as congregate facilities, designed to serve an increasingly elderly resident population.

The appropriation bill will also increase rents for residents of privately owned section 8 subsidized units of whom 46 percent (546,000) are elderly. Poor tenants who now pay little or nothing in rent because of very low incomes will be required to pay a minimum rent of $50 per month or an additional $600 per year. In addition, rent contributions for all residents will be increased from 30 to 32 percent of income, an additional $140 a year. Finally, the bill eliminates funding for new housing certificates and vouchers, and reduces funding available for construction of special units for older persons under the section 202 program. HUD reports that almost one million older households having "worst case needs" do not receive any housing assistance.

...older people...make up approximately one-third of all public housing residents.

8 Low Income Home Energy Assistance Program

In 1995, the appropriation for the Low-Income Home Energy Assistance Program (LIHEAP) block grant was funded at a level of $1.319 billion dollars. States have estimated that they will obligate more than $915 million of FY 95 funds for heating assistance alone. This assistance will go to more than five million households (half are headed by older persons), including over one million in New York, 350,000 in California and 200,000 in Illinois.

The current Senate recommendation is for an appropriation of $900 million, representing a 32 percent cut. Under the Senate recommendation, it is estimated nearly 2 million households could lose their energy assistance. This assistance includes emergency cooling assistance as well as heating assistance. Experts have estimated that to continue to function in any meaningful way a minimum $1 billion federal contribution is essential.

...nearly 2 million households could lose their energy assistance.

In FY 95, 44 states and 25 Indian tribes received additional funds ("leveraged incentive awards") as a result of committing non-federal funds for home energy assistance. A one-third reduction of federal funding could discourage states from attempting to continue their current contribution.

9 The Older Americans Act — Human Services, Legal Services, Aging Research, Training

Reductions in human services programs will further jeopardize the ability of older people to remain independent in their own communities. Of paramount importance in providing human service programs to the elderly is the Older American Act.

For the past thirty years, the Older American Act (OAA) has served the best interests of the elderly and their caregivers by funding a variety of services, supporting research and training in the aging field, and providing job training programs for low income older individuals. Since 1980, funding for OAA has declined in real terms by over 30 percent. Funding plans passed by the House would cut the program by $145 million, an 11 percent reduction from current levels. Critical services in local communities including meals, in-home services, elder abuse prevention, nursing home ombudsman, senior centers, senior employment, aging research and training, and other important areas that serve older Americans will be cut back or eliminated. Grants for Native American seniors program will suffer greatly given the traditionally low funding levels which support the provision of all services to American Indian and Native Hawaiian elders.

As a result of these cuts, 6.2 million fewer meals would be served in congregate sites and 5.6 million fewer meals would be delivered to homebound elders...

As a result of cuts, 6.2 million fewer meals would be served to in congregate sits and 5.6 million fewer meals would be delivered to homebound elders; 14,000 older workers would be terminated from the Senior Community Services Employment Program; and 165 local ombudsman programs would be eliminated, reducing services to 52,000 nursing home residents.

Money for aging research has been severely cut by Congress. Title IV of the Older Americans Act, which supports training, research, demonstrations and education, was zeroed out by the House and cut by $21 million in the Senate. The Health Care Financing Administration's research and demonstration funding was cut by $94 million in the House. The Health Resources and Services Research funds would be cut by $102 million. All of these research funds have assisted in demonstrating new programs and streamlining public programs for the elderly. Demand for these programs will continue to rise as the population of our nation continues to age.

Transportation programs for the aged and people with disabilities are also in danger. House and Senate conferees have proposed cutting the Federal Transit Act's Section 16 program for the Elderly and Disabled by $7.5 million over last year's conference report. Compounded by the proposed cuts in Medicaid, the Older Americans Act, and mass transit appropriations, transportation services for the elderly will be seriously impacted.

Congress is sharply cutting the Legal Services Corporation (LSC) as well as legal assistance provided for under the Older Americans Act. Appropriations have been drastically cut and restrictions have been placed on what attorneys will by able to do in representing their clients. The substantive backup centers have lost all support from LSC. Local programs will no longer be able to do class action suits, representation before legislative bodies, file suits against states that challenge the legality of the welfare reform, and numerous other types of representation. Also disturbing is the new funding sources restricted by LDC limitations.

Special projects, such as the White House Conference on Aging, have also been defunded.

WHAT CONGRESS IS DOING TO WIDOW JONES, AGE 73

Mrs. Jones, a 73 year old widow who lives alone, has a total cash income of $458 per month ($5,496 per year) from Social Security and SSI. In addition, she receives assistance from Medicaid, food stamps, the Low-Income Home Energy Assistance Program (LIHEAP) and OAA. Mrs. Jones is eligible for both Medicare and Medicaid (as an SSI beneficiary). Medicare and Medicaid pay for most of Mrs. Jones's doctor bills and occasional hospital visits, including her prescription drugs for diabetes, arthritis, and glaucoma and pays for her eyeglasses. Medicaid also pays for her Medicare premiums, deductibles, and coinsurance, but were she not dually eligible, her low income would still qualify her for Medicaid payment of Medicare premiums, coinsurance, and deductibles under the Qualified Medicare Beneficiary (QMB) program. Mrs. Jones receives a hot home-delivered meal five days a week, receives a one-time $160 payment through the Low-Income Home Energy Assistance Program (LIHEAP) and $63 per month in food stamps.

The chart bellow illustrates the disastrous cumulative impact of Budget cuts to elderly health and welfare programs. If Medicaid and food stamps are block-granted, Mrs. Jones could lose her eligibility for both. She could also lose her yearly $160 help with heating bills and services under the Older Americans Act such as meals on wheels and help with legal matters. She would have to pay for Medicare coverage as well as some medical costs, including some medicines, that are now paid by Medicaid.

Widow Jones total income is $5,496. To make up for the impact of Congressional Budget cuts, her 1996 out-of-pockets would exceed her total income by $188. And she still would need to find money for the basics: housing, utilities, telephone, and transportation. She may not be able to get medical care. She may not be able to purchase needed medications. Or, if she pays for medical care, she may become homeless. Note that her out-of-pocket costs go up every year through 2002.

Estimated Benefit Cuts/Cost Increases for Hypothetical Example of Mrs. Jones*

	Fiscal Year							
Benefit Cut/Cost Increase	1996	1997	1998	1999	2002	2001	2002	1996-2002
Part B premium	$72	$48	$48	$60	$84	$72	$84	$468
Part B deductible	150	160	170	180	190	200	210	1260
Drugs	2880	3168	3485	3833	4217	4638	5102	27323
Coinsurance	1387	1484	1588	1699	1818	1945	2082	12003
Food Stamps	756	781	808	835	863	893	923	5859
LIHEAP	160	165	171	176	182	189	195	1238
Meals	520	537	555	574	594	614	635	4029
Total	$5,925	$6,343	$6,825	$7,357	$7,948	$8,551	$9,231	$52,180

*The figures in the table represent the estimated dollar value of the reductions in benefits that would occur as a result of proposed budget cuts. They do not represent losses of income, but rather losses of benefits. In fact, it would be impossible for Mrs. Jones to purchase all of these services and products were she to lose eligibility for Medicaid, food stamps, etc. because her income simply would be insufficient to pay for them. The figures above are based on the following assumptions: 1) Mrs. Jones is no longer eligible for Medicaid, food stamps, LIHEAP, or meals; 2) she now must have her Medicare Part B premium subtracted from her Social Security COLA, thereby eliminating her annual COLA increase (her monthly Social Security benefit level is assumed to be $200 in 1995, which provides a COLA of just over $6.00 per month, so Mrs. Jones cannot pay the full Part B premium increase); 3) she must pay her Part B deductible out-of-pocket, and she must pay for the entire cost of drugs and personal care out-of-pocket now because she no longer has Medicaid coverage, and these costs are not covered by Medicare; 4) the Part B premium under current law would revert to 25 percent of Part B costs, but it is assumed here to remain at its current level of 31.5 percent of Part B costs; 5) the Part B deductible is assumed to increase to $150 in 1996 and rise to $210 by 2002; 6) estimated monthly costs of drugs for diabetes are estimated at $125, for glaucoma at $65, and for arthritis at $50; 7) estimated costs of coinsurance are based on average costs for poor Medicaid beneficiaries for hospital and physician services covered by Medicaid less the Part B premium, Part B deductible, and drug coinsurance; and 8) drugs and coinsurance are inflated at 7 percent per year; food stamps, LIHEAP, and meals are inflated at the rate of the CPI.

THE GREEN SHEET

News About the U.S. Department of Health and Human Services

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Wash. Post; 11-4-95 p. 1

Clinton Faces 'Huge Heat' On Welfare

At Democrats' Urging, President 'Rethinking' Stance on GOP Reform

By Ann Devroy and Barbara Vobejda
Washington Post Staff Writers

President Clinton has privately told acquaintances that he is taking "huge heat" from some Democrats to reverse course and veto a stringent GOP welfare reform package and is "rethinking" his final demands for acceptable legislation, administration officials said yesterday.

Several aides said in interviews that Clinton is at a pivotal and contradictory point in his presidency. Having used welfare reform as a major plank in his winning presidential race, he wants to sign—not veto—the first major overhaul of the system.

But, having pledged to protect children from being pushed into poverty by welfare reform, he faces heavy pressure from some Democratic senators, led by Daniel Patrick Moynihan of New York, and from some of his own aides to reject whatever emerges from Capitol Hill.

A congressional conference committee is trying to find a compromise between a Senate welfare reform bill and a more stringent measure passed by the House. Clinton has indicated he would sign a bill if the Senate version prevails. But Republicans in the two houses have made little progress in reconciling the major differences that divide them, and their conflicts could provide openings for Clinton and congressional Democrats to exploit.

Neoconservative author Ben Wattenberg, who recently discussed welfare reform with Clinton in a conversation that was widely publicized because the president expressed regret over past decisions, said that Clinton told him "he's got letters from Marian Wright Edelman and memos from Moynihan and all this pressure but he is not going to cave in and intends to stick with the Senate version" if that emerges from conference.

But a senior administration official said yesterday, "I'm not sure the president is comfortable with his position on that." In preliminary discussions about the rest of this year and a second-term agenda on which to campaign, the official said, the president has talked about wanting to address the growing income gap be-

See WELFARE, p. 11

N.Y. Times; 11-5-95 p. 1 Balt. Sun; 11-5-95

The Elderly Poor Fear Health Care Changes

By ESTHER B. FEIN

Doris Brisson lives on the outskirts of poverty in Mesquite, Tex. She is 66 years old and gets Social Security payments of $512 a month, food stamps worth $20 a month and she barely makes the rent on a one-room apartment that she says gives cozy a bad name.

When it comes to her health care, Mrs. Brisson relies not only on Medicare, the medical program for people over 65, but also on Medicaid, which covers many of the nation's impoverished.

While Congress has grappled with vast overhauls of the nation's two giant health care programs independently, for Mrs. Brisson, and for as many as five million other elderly poor people, the programs are nearly indivisible. To maintain their precarious existences, they depend on both.

Together, the anticipated growth of the programs would be sliced by more than $440 billion in seven years under Republican legislation that passed last month and that President Clinton has threatened to veto.

Republicans maintain that by giving states more flexibility on spending their Medicaid dollars and by directing older people into cost-conscious managed care plans, the Government will save money while improving health care and reducing costs for people like Mrs. Brisson.

But numerous health care experts and advocates for the poor say that the financially pressed and often frail elderly, vulnerable to cuts in both programs, will become the legislation's most pathetic victims. Studies have shown that nearly a million older Americans living in poverty stand to lose some of their health coverage if these changes become law.

"For them it's a double whammy," said Ron Pollack, Executive Director of Families U.S.A., an advocacy group. "They could lose Medicaid eligibility at a time when the Medicare expenses that Medicaid used to cover for them are going up. If they couldn't afford them before, how will they afford them now?"

In Mrs. Brisson's case, Medicare pays for her doctor visits, but her premium, co-payments to her doctor and her annual deductible are now covered under a special Medicaid program. The program, the Qualified Medicare Beneficiary program, or Q.M.B., has required since 1990 that states pay those Medicare costs

Andrea Mohin/The New York Times

Irma Valentine, left, who works for meals at a Queens senior center, says she cannot afford higher health costs. She talked to Bessie Lerduis.

See MEDICARE, p. 4

Wash. Post; 11-5-95

Estimate of Cuts in Medicare Payments Grows

Reduction in Fees Under GOP Bill to Be $27 Billion Higher, CBO Says

By Spencer Rich A5
Washington Post Staff Writer

The Congressional Budget Office has estimated that cuts in the growth of Medicare payments called for in the House Republican Medicare reform plan will be $27 billion higher than previously estimated for doctors and hospitals.

The CBO said the bigger cuts will come from a "fail-safe" mechanism in the bill that requires the government to order additional cuts in fees to hospitals and doctors in any year it appears savings targets will not be met.

The CBO previously had estimated that cuts would fall about $41 billion short of achieving a total goal of $270 billion in savings over seven years for Medicare, and that shortfall would have to be made up by use of the fail-safe mechanism.

But the CBO had not calculated how much of the $41 billion would be cut from each separate sector of the health economy such as doctors, hospitals and nursing homes. In a report to congressional leaders Friday, the CBO said it now had calculated how much each group would lose under the fail-safe provision.

It said that in addition to the $60.4 billion over seven years in reductions in payments for inpatient services already specified in the bill, hospitals would lose another $17.6 billion under the fail-safe provision.

It said doctors, already facing $27.7 billion in cuts over seven years, would lose another $9.8 billion under the fail-safe mechanism.

Tom Scully, president of the Federation of American Health Systems, which represents for-profit hospitals, said, "This is about what we expected. . . . We think the reforms are fine; we'd just like the numbers to come down."

A spokeswoman for the American Medical Association said, "We have some minor concerns about these numbers, but we stand behind our endorsement of the House bill."

Balt. Sun; 11-4-95

Senate's proposed Medicare reforms criticized

Savings account option struck from the bill

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ASSOCIATED PRESS

WASHINGTON — Conservative groups criticized the Senate's proposed Medicare changes yesterday, saying that they would trigger health care rationing and force the elderly into plans they don't want unless Congress revives the option of medical savings accounts.

The GOP overhaul is unacceptable unless senior citizens can choose their own doctors and spend their health care dollars as they see fit, they said.

"Grass-roots groups are going to fight this so-called Medicare reform plan with the same fury they showed toward the Clinton plan last year," unless medical savings accounts are included, said Peter Ferrara of Americans for Tax Reform.

The medical savings account option — combining a private, high-deductible catastrophic health insurance plan with a personal savings account funded by Medicare to help pay out-of-pocket expenses — was an integral part of both the original House and Senate plans.

But it was struck from the Senate balanced-budget bill yesterday night when Democrats lodged a parliamentary challenge under the Byrd rule. That rule, named for Sen. Robert Byrd, D-W.Va., lets senators get extraneous items dropped from budget bills if they would increase the deficit.

Senate Majority Leader Bob Dole, R-Kan., has assured the conservative groups that medical savings accounts will be restored in the House-Senate conference on the huge budget bill.

The medical savings account was vulnerable because the Congressional Budget Office had ruled that it would cost Medicare almost $3.5 billion over seven years instead of saving money, a finding disputed by supporters.

MEDICARE, p. 1

for beneficiaries who are barely above the poverty line, which is about $7,400 for a single person and about $10,000 for a couple.

But neither program covers medicine. Mrs. Brisson is supposed to be taking medication for high blood pressure, arthritis and depression. She has the prescriptions in her purse, next to the wallet that has too little money to fill them.

"Right now, what I can't get free from the doctor, I do without," said Mrs. Brisson, who has had trouble getting full Medicaid benefits after a recent move from Colorado to Texas. "By the end of the month I'm begging dinner invitations from friends. If anybody asks me to spend one more dollar for my health care, well, I guess I'd just have to quit going to the doctor altogether."

The Republican Medicare plan raises beneficiaries' co-payments, deductibles and premiums and encourages them to join cost-saving managed care plans. By signing on for such a plan, the Republicans argue, older people with limited resources would no longer have to pay a portion of each doctor visit or a minimum amount before their benefits kicked in.

The Medicaid plan, meanwhile, ends mandatory benefits for the very poor and gives states fixed grants that they would decide how to divide among their neediest residents. Whether states would put as much money as the Federal Government now requires into covering gaps in the Medicare coverage for the elderly poor is very much an open question.

● "Even if you had a combination of Mother Teresa and Albert Einstein administering these programs, the proposed cuts are so deep that needy people will lose eligibility," said Stan Dorn, managing attorney for the National Health Law Program, a public interest law center in Washington and Los Angeles that focuses on low-income health issues.

Being forced to cut back on the medical attention they get, Mr. Dorn said, will have deadly consequences for the elderly poor. "The death certificate may say 'cause of death: heart attack,' " he said, "but the real cause will be Medicaid and Medicare cuts."

Republicans said that given the spiraling costs of Medicaid and Medicare, they had no choice but to find a way to rein in expenses.

"We are opening up Medicare to the new medicine of the 90's," said Mike Collins, a spokesman for the House Commerce Committee. "States and managed care providers are going to give better care at lower costs to our needy seniors."

But a study by the Urban Institute, a Washington-based research group, found that even assuming that state governments achieve a higher level of cost efficiency in their managed care programs, nearly a million poor older Americans could lose their Medicaid eligibility in the next seven years.

Another report by Project HOPE, a Washington think tank that studies health issues, found that nearly 60 percent of people eligible for Medicaid's Q.M.B. program did not receive benefits because they did not know about the program or did not realize they qualified.

But as the economic situation for poorer older Americans declines, experts warn that more of them will be forced to seek protections, like those now offered under the Q.M.B. program. But while the Republican plan mandates that states set aside a certain portion of their Medicaid block grants to cover premiums for this group, it does not require that all the poor elderly be covered.

Each state would decide who it considers poor within the elderly population and how to distribute money among them. Currently, people with incomes up to 20 percent above the poverty level automatically qualify for Medicaid-subsidized premiums.

Under the Republican plan, states would have to cover only premiums, not deductibles or co-payments. And the amount they would be required to reserve for the premiums is far too little, critics say. It amounts to 90 percent of what they spent on this program from 1993 to 1995, when most of those who were eligible did not participate.

"When participation increases, and it will, what will the states do?" said Howard Bedlin, legislative representative for the American Association of Retired Persons. "There would be no way to assure that premium protections would be available even for those who meet whatever means test each state makes."

Health care experts also note that managed care plans are not available to more than nine million Medicare recipients because companies have not set up businesses where they live. But Mr. Collins of the House Commerce Committee said that the Republican leadership is

Cont'd on next page

David Scull/The New York Times

Orpha Andrukite, who is virtually bed-ridden in her Washington apartment, says that if plans to cut Medicaid knock her off its rolls, she might as well "fall off the face of the earth."

Predictions of a 'double whammy' for the most frail Americans.

Cont'd from previous page

"confident that markets will spring up" when the new plan becomes law.

The Republicans, he said, envision a scenario in which Medicare beneficiaries are courted by managed care plans eager for their business. As the competition increases, he said, the plans will recruit good doctors, offer a wide range of services and even give financial incentives to the elderly to join, knowing that if they do not, people will go elsewhere.

But while managed care companies are technically required by law to accept anyone who is eligible for Medicare, companies have a way of skewing their marketing to attract more stable and robust people whose care costs the least and increases profits most, said Lani Sanjek, associate executive director of the New York Statewide Senior Action Council. They hold recruiting seminars, for example, at times and places that are inconvenient or inaccessible to the disabled.

What is more, advocates said, the Republican plan does not provide either a framework or a budget for monitoring the quality of managed care programs.

"No standards have been established, let alone implemented," said Diane Archer, executive director of the Medicare Beneficiaries Defense Fund. "A lot of the elderly are too sick, too frail and too ill-equipped to make an informed choice under these circumstances. As this plan stands, the elderly poor are in danger of higher personal costs or significantly less health care."

Many of these people are already rationing their own health care, doing without medications, like Mrs. Brisson, so that they can, afford meals, or are visiting doctors only in an emergency to avoid co-payments they cannot afford.

In Flushing, Queens, Irma Valentine, a former waitress, visits her doctor, because the cost is covered by Medicare. She takes her blood pressure and cholesterol prescriptions because they are covered by Medicaid, for which she is fully eligible because she is below the poverty level. But she does without arthritis pain killers and hemorrhoid medications because neither program covers those.

"I'm 80 years old and I'm barely making it," said Mrs. Valentine, who volunteers time at the Self-Help Senior Center in Latimer Gardens, the public housing project where she lives, in exchange for warm meals. "I'm miserable and I'm scared. If they ask me to give up any more, what would I take it away from? From nothing?"

What Orpha Andrukite hears about the plans debated in Washington has not reassured her that the coverage she now gets is safe. If she does fall off the Medicaid rolls, she says, she might as well "fall off the face of the earth."

She is 70, and after working more than 30 years as a practical nurse, she now lives on $484 a month in Social Security benefits and $17 in food stamps in an apartment in southeast Washington.

Until now, she has been covered by Medicare, with Medicaid picking up her out-of-pocket expenses, including most of the costs of the seven prescriptions she takes for a variety of illnesses, among them diabetes, osteorheumatoid arthritis and spasms. But if she is asked to spend any of her own money, she said, she will have to cut out the pills or the doctor visits.

She already owes money to her daughter and a friend from North Carolina who two years ago slaughtered a cow and brought 100 pounds of meat up to Ms. Andrukite on account. The meat is now gone, she said, but the debt remains.

"I'm already borrowed out, living on the edge," she said. "If they want to get another dollar from me, they may as well just come get me altogether."

Office of Women's Initiatives and Outreach
September 7, 1995 10:00am

CUTS TO PROGRAMS IMPACTING WOMEN

	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS	IMPACT NUMBERS
EFFECTS ON EDUCATION AND TRAINING	**Women's Educational Equity Act Program:** Maintains $4 million which supports the research, development, and dissemination of curricular materials, training programs, guidance and testing activities, and other projects to promote educational equity for women and girls.	House appropriation bill eliminates this program that shares curricular materials with over 4,000 organizations and individuals yearly, helps schools implement non-discriminatory practices, and trains hundreds of teachers.	
	Federal Direct Student Loan Program: Supports direct loans and phase out of guaranteed loans in order to save money for taxpayers. Lower cost of borrowing for students and reduce costs for schools.	House appropriations bill cuts administrative funding by $230 million. Republican budget reduction proposals also support the costly guaranteed programs instead of the direct loan program.	These cuts leave less than what is needed to administer the direct loan program which will stop growth of efficient, cost-effective direct lending in order to keep paying banks, state agencies, and secondary markets. The guaranteed programs will therefore charge students billions more (over seven years) for their college loans.

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS	IMPACT NUMBERS
EFFECTS ON EDUCATION AND TRAINING	**Education for Disadvantaged Students:** Boosts funding by $302 million, to over $ 7 billion per year, to help states raise academic achievement of 6.4 million disadvantaged children.	House bill reduces funding by $1.1 billion.	Cuts up to 1.1 million children from the program, and eliminates as many as 29,000 teacher and aide jobs.
	Safe and Drug-Free Schools and Communities: Provides funding at $500 million per year, for a safer, more drug-free learning environments for 39 million children in over 14, 000 school districts.	Reduces funding to $200 million, a 60% cut from the President's request.	Deprives over 23 million students of services next year.
	Head Start: Increases 1996 funding by $400 million and adds 32,000 new Head Start slots for children in 1996--and 50,000 new slots by 2002.	Cuts funding by $137 million from 1995 level.	Shuts out 45,000-50,000 children from Head Start in 1996.

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS	IMPACT NUMBERS
EFFECTS ON EDUCATION AND TRAINING	**Women in Apprenticeship and Nontraditional Occupations**: Maintains funding at $774,000 to promote training and employment opportunities for women in nontraditional fields. Over 1,000 women were directly served by the program last year, and several thousand more benefitted indirectly.	Reduces funding by 18%.	Hundreds of women could be denied from the program.
	Goals 2000: Provides $750 million in 1996 to raise academic standards and student achievement eventually in all schools, and in 1996 in more than 16,000 schools serving 8.8 million students in 48 states.	Eliminates all funding for education reform.	These cuts severely undermine state and local efforts to improve student achievement. Without this funding, much needed improvements in teacher training, educational technology and parental involvement will not be implemented.

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS	IMPACT NUMBERS
EFFECTS ON EDUCATION AND TRAINING	**School-to-Work:** Boosts funds to $400 million, a 60% increase over 1995, to support all states' building school-to-work systems with 1-year planning and 5-year implementation grants.	Cuts funds from the President's 1996 request to $190 million.	Impairs efforts of 28 states to complete reforms begun in 1994 and 1995, and denying 22 states the chance to implement their reform plans to raise student skills and build a more competitive workplace.
EFFECTS ON FAMILIES AND CHILDREN	**Low Income Home Energy Assistance Program (LIHEAP):** Provides $1.319 billion in 1996, matching pre-recision 1995 level.	Eliminates the LIHEAP program.	Ends assistance to between five and six million low income families.
	Food Stamp Program: Will serve 27 million people in 1996, about 60% of whom are female.	The House 1996 appropriations bill decreases benefits by $190 million, freezing the food stamp standard deduction at the 1995 level. Cuts Food Stamps over $35 billion over seven years.	

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS	IMPACT NUMBERS
EFFECTS ON FAMILIES AND CHILDREN	**Special Supplementary Nutrition Program for Women, Infants, and Children (WIC):** Increase funding in 1996 by $350 million and adds 200,000 women, infants and children to the program.	Funds WIC at $90 million below the President's request.	Serves 50,000 fewer women, infants and children.
	School Meals Initiative: Provides $26 million to help schools meet Dietary Guidelines for healthy meals.	Provides $5 million for the School Meals Initiative, $21 million below the President's request.	This will force public housing authorities to under-maintain and abandon projects or cut security and services.
	Public Housing: Provides $8.1 billion in 1996 for public housing capital and operating funds, enough to reduce a backlog of capital needs, tear down or reconfigure the worst projects, and prepare for a proposed transition to portable assistance, giving choices to public housing residents.	Cuts 1996 funding by 37%, or $3 billion.	

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS	IMPACT NUMBERS
EFFECTS ON DOMESTIC VIOLENCE PROGRAMS	**Violence Against Women Programs at the Department of Justice:** Increases funding from $25 million to $175 million.	Cuts funding by **$50 million**.	These cuts threaten the full enforcement of the VAWA, which concentrates at the local level. These cuts will be felt in local shelters, police stations, and courthouses, where they are desperately needed.
	Violence Against Women Programs at the Department of Health and Human Services: Increases Crime Trust Fund funding for rape and domestic violence prevention, domestic violence education, battered women's shelter, and a domestic violence hotline from $1 million to $61.9 million.	Cuts $21.9 million from the President's 1996 request, eliminating programs to reduce sexual abuse of youth and providing less funding for battered women's shelters.	Nearly 1000 shelters nationwide receive funds from the Family Violence and Prevention Services program. A loss of family violence funding would directly jeopardize the operation of many shelters.
EFFECTS ON OLDER WOMEN	**Administration on Aging:** Boosts funds by $21 million, to $897 million. Maintains 1995 level for nutrition programs that include Meals on Wheels.	Ends 7 of 12 elderly programs and cuts funds for all others, but one.	Organizations like Meals on Wheels would be reimbursed for 12 million fewer meals served to older Americans.

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS	IMPACT NUMBERS
EFFECTS ON OLDER WOMEN	**Medicare**: Extends solvency of Medicare Trust Fund through 2006 by saving $124 billion, without any new cost increases for beneficiaries. Eliminate the co-payment for mammograms for senior women.	Cuts $270 billion from Medicare. No Republican proposal.	Medicare beneficiaries will pay $2,800 more as individuals and $5,600 more as couples over 7 years.
	Respite Care for Families of People with Alzheimer's Disease: Helps Medicare beneficiaries who suffer from Alzheimer's disease by providing respite services for their families for one week each year.	No Republican proposal.	
	Long-Term Care: Provides grants to states for home- and community-based services for disabled elderly Americans.	The average beneficiary will pay at least $1,400 more in 2002 for home health care services, and the average Medicare recipient will pay $1,000 more for skilled nursing facility services.	

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS	IMPACT NUMBERS
EFFECTS ON OLDER WOMEN	**Options:** Expands Medicare's managed care options available to beneficiaries to include preferred provider organizations and point-of-service plans.	Gives vouchers to people on Medicare. Increases costs to stay in fee-for-service, so that many beneficiaries may be forced into managed care.	May threaten Medicare access of the elderly to high quality medical care.
EFFECTS ON HEALTH CARE	**Substance Abuse & Mental Health Grants:** Roughly maintains 1995 level of $566 million.	Cuts 64%, or $364 million, compared to the President's plan.	Jeopardizes substance abuse and mental health services for tens of thousands of pregnant women and high-risk youth.
	Title X. Requested $199 million for Family Planning grants, $6 million above the FY 1995 level.	Funding was abolished and then restored at FY95 level, which is $6 million below the President's request.	The additional $6 million would have been used for more aggressive outreach and services for approximately 120,000 "hard-to-reach" women.
	Human Embryo Research.	Bans federal funding of human embryo research.	A ban would jeopardize advances in reproductive health areas affecting women, such as infertility treatment, in vitrio fertilization, prevention of birth defects, contraception, and miscarriage prevention, as well as treatment of diseases such as leukemia, sickle cell anemia, Parkinson's disease, and spinal cord injury.

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS	IMPACT NUMBERS
EFFECTS ON HEALTH CARE	**Medicaid Funding:** Contains a mix of policies that save $54 billion between now and 2002 and protects critical coverage for senior women. Insures Medicaid funding for abortions for victims of rape and incest and preserves the health of the women.	Cuts $182 billion from Medicaid over the next seven years by making the program a block grant to states. Allows states the option to deny Medicaid funding for victims of rape and incest abortions.	8.8 million children, elderly, and disabled people will lose coverage over the next 7 years.
	Funding for Residency Accreditation Related to Abortion Procedures	Prohibits Federal funds from being dependent on residency accreditation requirements that include abortion training.	
	Federal Employees' Health Benefits Program. (FEHBP)	Precludes Federal employees and their families from purchasing health insurance coverage through FEHBP that covers abortions.	

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS	IMPACT NUMBERS
EFFECTS ON HEALTH CARE	**Abortion Services.**	Bans privately funded abortion services at U.S. military hospitals and other federal facilities.	The ban would affect the 197,689 women serving in the armed forces, especially the 36, 187 [or 48,455 including territories, Alaska, and Hawaii] uniformed women stationed overseas, in addition to spouses of male service members living on military bases.
EFFECTS ON THE ECONOMY	**Department of Labor Wage & Hour Administration:** Provides $117 million to enforce the Family and Medical Leave Act and other worker protections particularly for low wage workers.	Cuts 12% of the Wage & Hour Administration's budget, which threatens their ability to conduct *any* enforcement of the Family & Medical Leave Act.	The Wage and Hour Administration currently handles 100,000 enforcement calls per year. Reduces the number of low-wage women (e.g., in garment sweatshops) whose minimum wage and hour rights are protected (women account for the majority of minimum wage earners).
	Small Business Administration's Office of Women's Business Ownership: Provides $4 million for the Women's Demonstration Site Program.	Cuts 50% of the funding of the President's 1996 request to $2 million for the Women's Demonstration Site Program.	Significantly reduces the amount of business education and training SBA can provide to women-owned small businesses.

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS	IMPACT NUMBERS
EFFECTS ON THE ECONOMY	**Department of Labor, Women's Bureau:** Provides $9 million to promote the interests of wage-earning women.	Cuts 7.5% in the Women's Bureau budget.	These cuts would jeopardize programs for millions of working women, employers, constituent groups, and elected officials that make a real difference in making work better for women and their families.
	Small Business Administration, National Women's Business Council.	Reduces budget from $500,000 in 1994 to $200,000 in 1996.	These cuts would eliminate over 5,500 opportunities for elderly low-income women to work in part-time community service jobs.
EFFECTS ON SERVICE PROGRAMS	**Community Service Employment for Older Americans:** Increases 1996 funding by $15 million to provide almost 2,500 additional part-time work opportunities for low-income persons age 55 and older to work in community service activities.	Cuts funding by $46 million.	

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS	IMPACT NUMBERS
	AmeriCorps: Increases funding by $211 million and adds 20,000 new service opportunities for Americans to address vital local community needs such as health care, crime prevention and education.	Terminates the AmeriCorps program.	AmeriCorps provides nearly 25,000 opportunities a year for women to serve their communities and earn a monetary award to help them further their education or training.
	Volunteers In Service To America (VISTA): Increases funding by $12 million to allow an additional 800 VISTA volunteers to work in low-income communities to alleviate poverty.	Cuts the VISTA program by 57%.	These cuts would deny nearly 2,400 women the opportunity to serve in their communities as VISTA volunteers and earn a monetary award to help them further their education or training.
	National Senior Volunteer Corps: Increase funding by $32 million to provide Americans age 55 and over the opportunity to help the homebound elderly, disabled children, troubled adolescents and others in their communities.	Cuts funding by $53 million.	Approximately 130,000 older women would be denied the opportunity to serve their communities.

Mr. President -
I think there is some real merit here -
Please advise -
Jennifer Klein
(Erskine)

August 24, 1995

MEMORANDUM TO HAROLD ICKES
ERSKINE BOWLES

FROM: BETSY MYERS Betsy

RE: **WOMEN & THE BUDGET STRATEGY**

As I reported in my memorandum to Leon Panetta on July 31, women's organizations and women political appointees are eager to carry the President's budget message. We need your help securing the President's participation and leadership.

More than any other constituency, women -- as breadwinners and caretakers of children and aging parents -- are directly impacted by proposed budget cuts in health, education, job training, Medicare and crime (see attached grid).

Budget cuts directly impact every issue that resonates with women and families and provide a perfect opportunity not only to sell the budget to America but also to give women a reason to go to the polls in 1996 -- *if* we speak directly to them.

(1) The women's vote will be crucial in '96:

Recent polls and studies abound on the importance of the gender gap and the women's vote in '96. "The Democratic Party could have kept control of Congress had its women been as 'excited' about their party as men were about the GOP," *U.S. News & World Report* reported from pollster Celinda Lake in its survey and article, "What do women want?" (8/14/95).

We are successful with the women's constituencies when the President is perceived as feeling and understanding the daily struggles of the average American family.

- o Women represent more than half of the drop-off voters (those who voted in 1992 but stayed home in 1994). (*U.S. News & World Report*, 8/14/95)

- o White women are now evenly split along party lines in support for congressional candidates. (Public Opinion Strategies)

- o Half of women think Washington budget cuts have gone too far, but half of men say cuts haven't gone far enough. Lower-wage women are the most nervous about the GOP Congress: 61 percent -- more than any other group -- believe Republican budget cuts have gone too far. (*U.S. News & World Report*, 8/14/95)

o Even "born again" Christians show a gender gap on the budget: A plurality of white, born-again women believe the Republican budget cuts go "too far," while white, born-again men support the cuts by 56 percent to 29 percent. (Lake Research)

(2) Women's concerns mirror the President's budget priorities

Across party lines, women are concerned about budget cuts that will hurt the programs that currently **help their families**, including:

- Education and training programs that help women advance and become self-sufficient and that also provide opportunity for their children;
- Medicare and aging programs that help families care for aging parents;
- School meals and programs for children;
- Health care programs.
- Funding for Violence Against Women Act.
- Earned Income Tax Credit and cuts to the safety net.

New polls show **women's top concerns are family concerns: Jobs, education and crime.**

(3) Our strategy to sell the President's budget includes the following:

I. PRESIDENTIAL EVENT:

I need your help securing the President's participation in at least one of the following events:

(1) Visit a **predominantly female workplace** (e.g., a hospital, school, factory or office), and talk with workers in an employee lounge or cafeteria. **Working women best represent family concerns**: family checkbook, child care, education, health and Medicare, jobs, and stress from balancing work and family. A nursing home would add a Medicare angle.

(2) **Kitchen table talk** with a **family** of three generations:
- **a grandmother** reliant on Medicare and elderly programs;
- **a mother** concerned about family checkbook, drug-free schools for her kids, help for her aging parents, and student loans and skill grants to continue her education;
- **a daughter** in Head Start or an older daughter concerned about drug-free schools and college loans.

(3) Visit a **Battered women's shelter** and host a **discussion on domestic**

violence and GOP cuts to the Violence Against Women Act, despite its funding from the Crime Trust Fund. Participants could include:

- law enforcement officials;
- advocates;
- battered women.

(4) **White House Town Hall Meeting** with families to discuss the budget cuts' impact on their pocketbooks, their kids and their aging parents.

II. PRESIDENTIAL BRIEFINGS:

The following briefings are necessary for our amplification and communications strategy:

(1) **Women Appointees' Roundtable** with the President for 30 senior women political appointees whose programs are affected by the budget cuts. Women appointees all have constituencies that have never been touched by the White House. Appointees will amplify the President's message through travel and media.

(2) **Women Constituents' Roundtable** with the President for 25 women leaders whose organizations and constituents are focused on the budget cuts. These women are necessary for amplifying our message.

III. PRESS EVENTS FOR OTHER PRINCIPALS:

(1) **"Oprah Winfrey Show"** on women and the budget. This popular show reaches many women who currently are not hearing the President's message.

(2) **Working mothers' roundtable** discussion with a 10 to 12 typical working women whose personal and family concerns exemplify the impact of the budget cuts. Vice President preferred.

(3) **PTA meeting** with discussion by community mothers to highlight a family message and education programs.

(4) **Community college** nursing program with discussion by women on jobs, student loans and skill-grants to highlight a Middle Class Bill of Rights message.

(5) **Child care center** or Head Start located **inside a supportive business**. Discussion by business leaders and mothers on importance of public-private partnership.

(6) **Neighborhood safety meeting** with local families and women police officers.

(7) **Low-wage poultry plant** to target low-wage women with a message on education, health care, minimum wage, and families just above the safety net.

Office of Women's Initiatives and Outreach
July 31, 1995

CUTS TO PROGRAMS IMPACTING WOMEN

	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS
EFFECTS ON EDUCATION AND TRAINING	**Women's Educational Equity Act Program:** Maintains $4 million which supports the research, development, and dissemination of curricular materials, training programs, guidance and testing activities, and other projects to promote educational equity for women and girls.	House appropriation bill eliminates this program that shares curricular materials with over 4,000 organizations and individuals yearly, helps schools implement non-discriminatory practices, and trains hundreds of teachers.
	Federal Direct Student Loan Program: Supports direct loans and phase out of guaranteed loans in order to save money for taxpayers. Lower cost of borrowing for students and reduce costs for schools.	House appropriations bill cuts administrative funding $230 million, leaving less than what is needed to administer the direct loan program which will stop growth of efficient, cost-effective direct lending in order to keep paying banks, state agencies, and secondary markets. Republican budget reduction proposals also support the costly guaranteed programs instead of the direct loan program and will therefore charge students billions more (over seven years) for their college loans.
	Education for Disadvantaged Students: Boosts funding by $302 million, to over $ 7 billion per year, to help states raise academic achievement of 6.4 million disadvantaged children.	House bill reduces funding by $1.1 billion, cutting up to 1.1 million children from program, and eliminating as many as 29,000 teacher and aide jobs.

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS
EFFECTS ON EDUCATION AND TRAINING	**Safe and Drug-Free Schools and Communities:** Provides funding at $500 million per year, for a safer, more drug-free learning environments for 39 million children in over 14, 000 school districts.	Reduces funding to $200 million, a 60% cut from the President's request, depriving over 23 million students of services next year.
	Head Start: Increases 1996 funding by $400 million and adds 32,000 new Head Start slots for children in 1996--and 50,000 new slots by 2002.	Cuts funding by $137 million from 1995 level, shutting out 45,000-50,000 children from Head Start in 1996.
	Women in Apprenticeship and Nontraditional Occupations: Maintains funding at $774,000 to promote training and employment opportunities for women in nontraditional fields.	Cuts funding by 18%.
	Goals 2000: Provides $750 million in 1996 to raise academic standards and student achievement eventually in all achools, and in 1996 in more than 16,000 schools serving 8.8 million students in 48 states.	Eliminates all funding for education reform, severely undermining state and local efforts to improve student achievement. Without this funding, much needed improvements in teacher training, educational technology and parental involvement will not be implemented.
	School-to-Work: Boosts funds to $400 million, a 60% increase over 1995, to support all states' building school-to-work systems with 1-year planning and 5-year implementation grants.	Cuts funds from the President's 1996 request to $190 million, impairing efforts of 28 states to complete reforms begun in 1994 and 1995, and denying 22 states the chance to implement their reform plans to raise student skills and build a more competitive workplace.

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS
EFFECTS ON FAMILIES AND CHILDREN	**Low Income Home Energy Assistance Program (LIHEAP):** Provides $1.319 billion in 1996, matching pre-recission 1995 level.	Eliminates the LIHEAP program, ending assistance to between five and six million low income families.
	Food Stamp Program: Will serve 27 million people in 1996, about 60% of whom are female.	The House 1996 appropriations bill decreases benefits by $190 million, freezing the food stamp standard deduction at the 1995 level. The Republican budget reduction would cut Food Stamps over $35 billion over seven years.
	Special Supplementary Nutrition Program for Women, Infants, and Children (WIC): Increase funding in 1996 by $350 million and adds 200,000 women, infants and children to the program.	Funds WIC at $90 million below the President's request, serving 50,000 fewer women, infants and children.
	School Meals Initiative: Provides $26 million to help schools meet Dietary Guidelines for healthy meals.	Provides $5 million for the School Meals Initiative, $21 million below the President's request.
	Public Housing: Provides $8.1 billion in 1996 for public housing capital and operating funds, enough to reduce a backlog of capital needs, tear down or reconfigure the worst projects, and prepare for a proposed transition to portable assistance, giving choices to public housing residents.	Cuts 1996 funding by 37%, or $3 billion. These cuts will force public housing authorities to under-maintain and abandon projects or cut security and services.

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS
EFFECTS ON DOMESTIC VIOLENCE PROGRAMS	**Violence Against Women Programs at the Department of Justice:** Increases funding from $25 million to $175 million.	Cuts funding by $100 million to $75 million. These cuts threaten the full enforcement of the VAWA, where they are concentrated at he local level. These cuts will be felt in local shelters, police stations, and courthouses, where hey are desperately needed.
	Violence Against Women Programs at the Department of Health and Human Services: Increases Crime Trust Fund funding for rape and domestic violence prevention, domestic violence education, battered women's shelter, and a domestic violence hotline from $1 million to $61.9 million.	Cuts $21.9 million from the President's 1996 request, eliminating programs to reduce sexual abuse of youth and providing less funding for battered women's shelters.
EFFECTS ON OLDER WOMEN	**Administration on Aging:** Boosts funds by $21 million, to $897 million. Maintains 1995 level for nutrition programs that include Meals on Wheels.	Ends 7 of 12 elderly programs and cuts funds for all others, but one. Organizations like Meals on Wheels would be reimbursed for 12 million fewer meals served to older Americans.
	Medicare: Eliminate the co-payment for mammograms for senior women.	No Republican proposal yet.
	Respite Care for Families of People with Alzheimer's Disease: Helps Medicare beneficiaries who suffer from Alzheimer's disease by providing respite services for their families for one week each year.	No Republican proposal yet.

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS
EFFECTS ON OLDER WOMEN	**Home and Community -Based Care:** Provides grants to states for home- and community-based services for disabled elderly Americans.	The average beneficiary will pay at least $1400 more in 2002 for home health care services, and the average Medicare recipient will pay $1000 more for skilled nursing home services.
	Medicaid: Contains a mix of policies that save $54 billion between now and 2002 and protects critical coverage for senior women.	Cuts $182 billion from Medicaid over the next seven years by making the program a block grant to states which leads to lower benefits for low-income mothers and children and the elderly and disabled.
	Options: Expands the managed care options available to beneficiaries to include preferred provider organizations and point-of-service plans.	Utilizes vouchers which may threaten Medicare access of the elderly to high quality medical care.
EFFECTS ON HEALTH CARE	**Substance Abuse & Mental Health Grants:** Roughly maintains 1995 level of $566 million.	Cuts 64%, or $364 million, compared to the President's plan, jeopardizing substance abuse and mental health services for tens of thousands of pregnant women and high-risk youth.
	Title X. Requested $199 million for Family Planning grants, $6 million above the FY 1995 level.	Abolishes Title X family planning grants, the Community Health Centers, and the Maternal and Child Health Block Grant and reallocates the $193 million There will be no guarantees that these funds will be used for family planning services.
	Human Embryo Research.	Prohibits Federal funds from being spent on research that involves human embryos.
	Medicaid Funding.	Allows states the option to deny Medicaid funding for victims of rape and incest abortions.

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS
EFFECTS ON HEALTH CARE	**Funding for Residency Accreditation Related to Abortion Procedures**	Prohibits Federal funds from being dependent on residency accreditation requirements that include abortion training.
	Federal Employees' Health Benefits Program. (FEHBP)	Precludes Federal employees and their families from purchasing health insurance coverage through FEHBP that covers abortions.
	Abortion Services.	Bans privately funded abortion services at U.S. military hospitals and other federal facilities to women stationed overseas.
EFFECTS ON THE ECONOMY	**Department of Labor Wage & Hour Administration:** Provides $117 million to enforce the Family and Medical Leave Act and other worker protections particularly for low wage workers.	Cuts 7.5% of the Wage & Hour enforcement office which threatens the office's ability to handle any enforcement of the Family & Medical Leave Act. Reduces the number of low-wage women (e.g., in garment sweatshops) whose minimum wage and hour rights are protected (women account for the majority of minimum wage earners).
	Small Business Administration's Office of Women's Business Ownership: Provides $4 million for the Women's Demonstration Site Program.	Cuts 50% of the funding of the President's 1996 request to $2 million for the Women's Demonstration Site Program. Significantly reduces the amount of business education and training SBA can provide to women-owned small businesses.
	Department of Labor, Women's Bureau: Provides $9 million to promote the interests of wage-earning women.	Cuts budget by 7.5% from the 1995 level.

CUTS CONT.	PRESIDENT'S PROPOSAL	REPUBLICAN CUTS
EFFECTS ON THE ECONOMY	**Small Business Administration, National Women's Business Council.**	Reduces budget from $500,000 in 1994 to $200,000 in 1996.
EFFECTS ON SERVICE PROGRAMS	**Community Service Employment for Older Americans:** Increases 1996 funding by $15 million to provide almost 2,500 additional part-time work opportunities for low-income persons age 55 and older to work in community service activities.	Cuts funding by $46 million, eliminating over 5,500 opportunities for elderly low-income women to work in part-time community service jobs.
	AmeriCorps: Increases funding by $211 million and adds 20,000 new service opportunities for Americans to address vital local community needs such as health care, crime prevention and education.	Terminates AmeriCorps, eliminating nearly 25,000 opportunities for women to serve their communities and earn a monetary award to help them further their education or training.
	Volunteers In Service To America (VISTA): Increases funding by $12 million to allow an additional 800 VISTA volunteers to work in low-income communities to alleviate poverty.	Cuts the VISTA program by 57% and denies nearly 2,400 women the opportunity to serve in their communities as VISTA volunteers and earn a monetary award to help them further their education or training.
	National Senior Volunteer Corps: Increase funding by $32 million to provide Americans age 55 and over the opportunity to help the homebound elderly, disabled children, troubled adolescents and others in their communities.	Cuts funding by $53 million and denies nearly 130,000 older women the opportunity to serve their communities.

A REPORT CARD ON WOMEN'S ISSUES IN THE 104TH CONGRESS

THE GOP LEGISLATIVE WAR ON WOMEN

A REPORT CARD ON WOMEN'S ISSUES IN THE 104TH CONGRESS

GOP DECLARES LEGISLATIVE WAR ON WOMEN ON 75TH ANNIVERSARY OF WOMEN'S VOTE

August 26. 1995 marks the 75th anniversary of the ratification of the Nineteenth Amendment to the U.S. Constitution which gave American women the right to vote.

Women's 72 year campaign for the right to vote will go down in history as one of the longest, most peaceful struggles for political power and civil rights in American history. During those years women circulated petitions, published newspapers, chained themselves to the White House fence, and organized countless marches. Suffragist Susan B. Anthony was even arrested and put on trial for casting a vote.

American women prevailed and achieved this historic step forward by strength of argument, personal dedication, and tireless activism. No PACS, no conspiracy theories, no divisive tactics, no anti-government rhetoric--just the facts and the passion of their convictions.

Eventually, President Woodrow Wilson, Congress and state legislatures took note and ratified the Nineteenth Amendment. Even after women had won the right to vote, suffrage leader Alice Paul urged women to look forward: "When you put your hand to the plow, you cannot lift it until you reach the end of the row." Paul realized that although a great victory had been won, the battles faced by American women to achieve real equality would continue.

Now more than ever, American women must keep their hands to the plow. The power of women's vote has never been as crucial as it is today. Actions the 104th Congress has taken against American women make dedication to keep "plowing forward" even more important. The Republican Congress is pushing an extreme agenda that is anti-women, anti-choice, and anti-working family. 1995 is the 75th anniversary of women's suffrage, but this new Republican Congress is intent on making it a time for women to suffer.

American women are vital to our nation's economic, social, and political well-being. Yet, even as we celebrate the contribution of women to the American body politic, this Congress undermines women's very ability to continue contributing to their families and their country.

The Republican Congress has taken actions that demonstrate that they don't really understand the economic insecurity women feel today. Most women are struggling to make ends meet and are frustrated that they can't spend more time with their children and families because of economic responsibilities. But the new Republican Congress is oblivious to women's economic worries about affordable health insurance and an economically secure old age. Republican lawmakers dismiss women's worry about violence, which threatens them and their children.

Republican actions over the past six months have only fueled women's economic insecurity and pessimism about the direction of the country. For the past 200 days, special interests have been running roughshod over the public interest and women's economic and constitutional rights have been among the hardest trampled.

This assault on women's rights comes on the heels of thirty years of steady legislative progress on a range of issues of concern to women. Under Democratic leadership, Congress has passed legislation to toughen child support laws; to guarantee working families the right to take an unpaid leave to bond with their newborn and in family emergencies; to enforce equal pay for equal work; to provide for safe, affordable child care; to expand opportunities for women-owned businesses; to strengthen laws against rape, domestic violence, and other violence against women; and to improve the quality of women's reproductive health.

Since 1979, when the Congressional Caucus for Women's Issues began monitoring legislation affecting women and families, Democrats have used their power to pass into law over 200 bills that have improved the status of women and their families in American society. Led by the Democratic Party, the 103rd Congress set a historic precedent for women by passing into law 66 bills that helped women and their families.

THE NEW REPUBLICAN CONGRESS, UNDER THE LEADERSHIP OF NEWT GINGRICH, IS PASSING BILLS THAT WEAKEN AND THREATEN WOMEN'S RIGHTS, HEALTH, FREEDOM, OPPORTUNITIES, ECONOMIC EQUITY, AND ECONOMIC SECURITY.

The Republicans in the House of Representatives have over the past six months, with only cursory debate, slashed spending on a host of programs that millions of women use every day. These cuts will have real consequences for real people, and for women in particular. Because of these cuts, young women will not be able to get student loans, older women will have a tougher time qualifying for Social Security, women will be unable to get family planning services, women will not be able to enter the workforce because they won't be able to afford childcare, and girls will not be able to participate in school sports.

Under the guise of balancing the budget, the Republican Congress is sacrificing the constitutional rights of women as citizens and their economic rights as taxpayers in order to appease the Christian Coalition and its social agenda. Women pay the same taxes as men do, but are not getting their money's worth from their government--be it in health research or education. Republicans have even gone so far as to demand that women who are not on welfare, but are simply trying to get a court order enforced, give back 15% of any child support enforcement officials help them recover.

In the workplace, women earn 72 cents on the dollar, but they get further shortchanged in the funding for programs that benefit them. For example, in last Congress, under Democratic leadership, the House unanimously authorized and agreed to fully fund the Violence Against Women Act. Yet, in this Congress, Republicans funded the implementation of the law at only 60 cents on the dollar. It is clear that if women in Congress and in our communities had not been diligently and constantly monitoring the funding of VAWA, the funding level would have remained at low Republican levels. Only after advocates in Congress mobilized and fought for more funding for rape crisis centers, battered women's shelters and education programs to prevent such violence, did the House reinstate some of that money. The law, however, remains funded at $109.4 million below its authorization of $273.6 million.

In specific, the GOP's battle against women has been fought on several fronts:

CHOICE:

Never has the House voted to restrict so many reproductive rights with this much speed. The sheer number of actions sucessfully taken sends a signal that this new Republican Congress is anti-choice with a vengeance. Attached is a list of their actions. Over the past six months, the ultra conservatives in the Republican Party have embarked on an aggressive assault on women's reproductive health and choice despite Newt Gingrich's pre-election promises that women's abortion rights would not be in the line of fire of a Republican Congress. However, now even Republican moderates are nervous about the implication of the string of anti-choice legislation the House has passed. Anti-choice forces have passed 12 legislative provisions in House committees and on the floor that restrict women's constitutional rights to abortion and family planning. To live up to a deal made with the religious right, the House Appropriations committee tried to eliminate Title X-- the nation's only program devoted exclusively to family planning services. They were defeated in a narrow , rare, and tenuous victory for women. In addition, they have passed provisions in the foreign aid bill to cut funding to international family planning programs, thereby making abortion an international litmus test. They have also worked to allow states to deny Medicaid coverage of abortions for poor women who are the victims of rape and incest.

EDUCATION

When the House cut student loans by $10 billion, they made it harder for thousands of young women to get an education. But the House of Representatives added insult to injury when they cut funds for education programs specifically designed to make sure our daughters have the same educational opportunities that our sons have. From weakening enforcement of Title IX , the civil rights law guaranteeing equal opportunity in education, including access to school sports program, to defunding the Women's Education Equity Act, a program established in 1974 to monitor sex discrimination in federally funded education programs and provide for gender equity programs, the House has backed off from our country's educational commitment to half of our children.

HEALTH

In 1990, when the Congressional Caucus for Women's Issues uncovered the inequities of medical research on women, Congress made women's health a national priority. Over the past six months Republican lawmakers have made clear that women's health is only a priority when it doesn't cost much or when it doesn't conflict with special interests. When the House passed Product Liability Reform legislation, as part of the Republican Contract with America, American women who were harmed by medical products lost the ability to collect fully for non-economic damages such as the loss of fertility and other reproductive health injuries and women who are homemakers lost their access to punitive damages.

The budget cuts contained in the Recision Bill and the Labor/HHS Appropriations bill hamper women's access to reproductive health services and cut funding for the Public Health Services Office on Women's Health, which monitors and coordinates the government's women's health activities. While NIH funding remained intact, earmarks for specific research programs, including those that benefit women such as contraceptive and infertility research and osteoporosis research, were eliminated. Cuts in other Public Health Service agencies--such as the Agency for Health Care Policy Research and the Office of the Surgeon General will lead to fewer studies, guidelines, and advocacy on women's health issues.

Further, Republican welfare reform legislation dealt a blow to women's health when it severed all federal responsibility for the Women, Infants, and Children nutrition program, one of the most effective nutrition programs for pregnant women, and dropped all national nutrition standards and nutritional counseling requirement. In fact, under the Republican bill, states aren't even required to establish a WIC program.

FAMILY

Republicans have talked a good game on being family-friendly, but their actions have not backed up their rhetoric. They have abolished federal commitments to children's safety and well being. Republicans have cut the school lunch program, nutrition programs, summer youth programs, and Head Start. Programs on child abuse, foster care, and adoption have been consolidated and slashed.

Working families that depend on women's economic contributions to family income were particularly hard hit by Republican actions to cut child care assistance. When the House passed H.R. 4, the Republican welfare reform legislation, it cut overall funding for child care by $1.1 billion over five years. In the year 2000, child care funding would be cut by $379 million thereby covering 323,000 fewer children. For working poor families, childcare takes more than one fourth of their income--27%--and can be a prohibitive cost to entering the workforce. Poor mothers who will be forced to work because of welfare-to-work requirements will be in a double bind--a situation that puts the Republican pro-family rhetoric to shame.

SAFETY

Republicans reneged on Congress' pledge to fully fund and implement the Violence Against Women Act (VAWA), a bill that the House passed unanimously in 1993, initially funding it at half of its authorization. Republicans failed to fund battered women's shelters, programs for victims of child abuse, and training for state judges. In the Republican effort to roll back the Omnibus Crime Control and Safe Streets Act, the House deleted requirements that funds be used for crime prevention programs in communities. This cuts funding for programs that give children and teens a safe place to spend out-of-school time so that they are less like to be affected by violence in their communities. By cutting funding for Safe and Drug Free Schools Act by a whopping 59% ($286 million), Republicans have just said no to our children's safety.

Lastly, House Republicans refused to pass an amendment that would have clearly allowed local municipalities to use federal funds to upgrade abortion clinic security and build upon the assurance the Democratic House gave women last Congress when it passed the Freedom of Access to Clinic Entrances Act .

ECONOMIC SECURITY

The only bright spot for women in the past 200 days has been the bipartisan support for child support enforcement--a key to women's economic security. Republicans, however, have diluted the strength of this provision by proposing a 15% tax on child support collections for women who are not on welfare --- despite the fact that it is money owed to them and keeps their families off public assistance. The Republican Budget Resolution's cuts to Medicare and Medicaid hit women especially hard since one quarter of all women over age 65 live at or near the poverty line. The Republican Budget Committee in their proposed budget resolution also recommended that the income women can disregard as they compute their eligibility for Social Security payments be lowered by $5, thereby making some current recipients ineligible for SSI and Medicaid benefits--both economic lifelines for older women.

Women's battles for economic equality and justice in the workplace are among the most difficult faced today and throughout history. To make the already intense workplace problems for women even worse, actions taken in the appropriations bill for the Department of Labor make it even tougher for women to enter the workforce by eliminating the Women in Apprenticeship program which trains women for non-traditional jobs. Throughout the Department of Labor appropriations, women will be directly affected by almost $1 billion in cuts to programs like the Women's Bureau and job training programs.

Each rollback outlined in this report represents women who are being pushed back from their goals of equity and economic self-sufficiency. Cumulatively, however, these legislative changes and budget cuts represent a complete turnaround from the constant progress women had been making in their quest for equality under the law.

When Congress returns from its August break, it will take up two issues that strike at the pocketbook of American women--affirmative action and Medicare.

Affirmative action goes to the heart of America's commitment to equal opportunity. Nearly three out of 10 (29.9%) lower and middle managerial positions in private industry are now filled by women, almost triple the percentage in 1966, before affirmative action policies were first enacted. Republicans have introduced legislation to undo the federal government's role in promoting equal employment opportunities and to prohibit the use of racial and gender preferences by the federal government in awarding and administering federal contracts, in hiring and promoting federal workers and in administering federally conducted programs and activities--even court-ordered affirmative action remedies for proven, intentional discrimination. In other words, the old boy who-you-know network will prevail even if more qualified women are available for the job.

Republicans are mounting this effort at a time when for many women sex discrimination in the workforce is still a big problem that keeps them from equal pay and equal jobs. In 1994, women filed 39,990 sex discrimination charges against their employers with the Equal Employment Opportunity Commission--the most ever filed in one year.

If affirmative action helps women to survive economically in their working years, Medicare helps them to survive physically in their older years. Women make up the majority of Medicare beneficiaries. Nearly 20 million older women are Medicare beneficiaries. A typical older woman, age 75 and older, has an annual income of just $9,170 with an average of out-of-pocket health expenses of more than $1,500. For these women, any boost in Medicare out-of-pocket expenses could mean economic disaster for her and her family. Under the proposed Republican Medicare cuts, the average Medicare beneficiary would pay approximately $3,400 more per year in out-of-pocket expenses. The cuts will also result in an additional 20% copay in Home Healthcare and skilled nursing facility care. These "sick taxes" would disproportionately affect women--the predominant beneficiaries of this type of care.

On this 75th anniversary of women's suffrage, Democrats celebrate women's right to vote, a key milestone in achieving equality. Gaining that right was crucial to making the government more responsive to women. Today, it is equally important to restore to American government the steadiness and common sense required to respond to the needs of ALL of its people.

As Democrats, we pledge to rededicate ourselves to the principles of equity for women in our society and ask that women use the power of the vote to do the same.

CHOICE

The House took the following actions since January 1995:

HOUSE VOTED TO:

*Ban funding to organizations that privately finance abortion counselling or procedures, organizations that participate in abortion-related lobbying activities and to the United Nations Fund for Population Assistance.

*Reduce by 50% the amount of money available for international family planning programs. In addition, family planning programs must compete for funds with other development assistance programs.

*Ban allowing federal employees to choose health insurance which covers abortion.

*Ban abortions for women in the military stationed overseas, paid for with their own money.

*Ban abortions for women inmates in federal prisons.

*Ban Legal Services Corporation, which provides legal aid to the poor, from taking up any abortion issue.

*Provide bonus grants to states that reduce the number of abortions, thus rewarding states for making abortion services more difficult to obtain.

HOUSE APPROPRIATIONS COMMITTEE VOTED TO:

*eliminate the country's 25 year old family planning program that provides family planning services, pelvic exams, Pap tests, screenings for sexually transmitted diseases, and other health tests for women.

*prohibit federal funding of research on human embryos, an effort that could hamper medical research on safer contraception, as well as research to find out what causes and how to cure birth defects and other diseases.

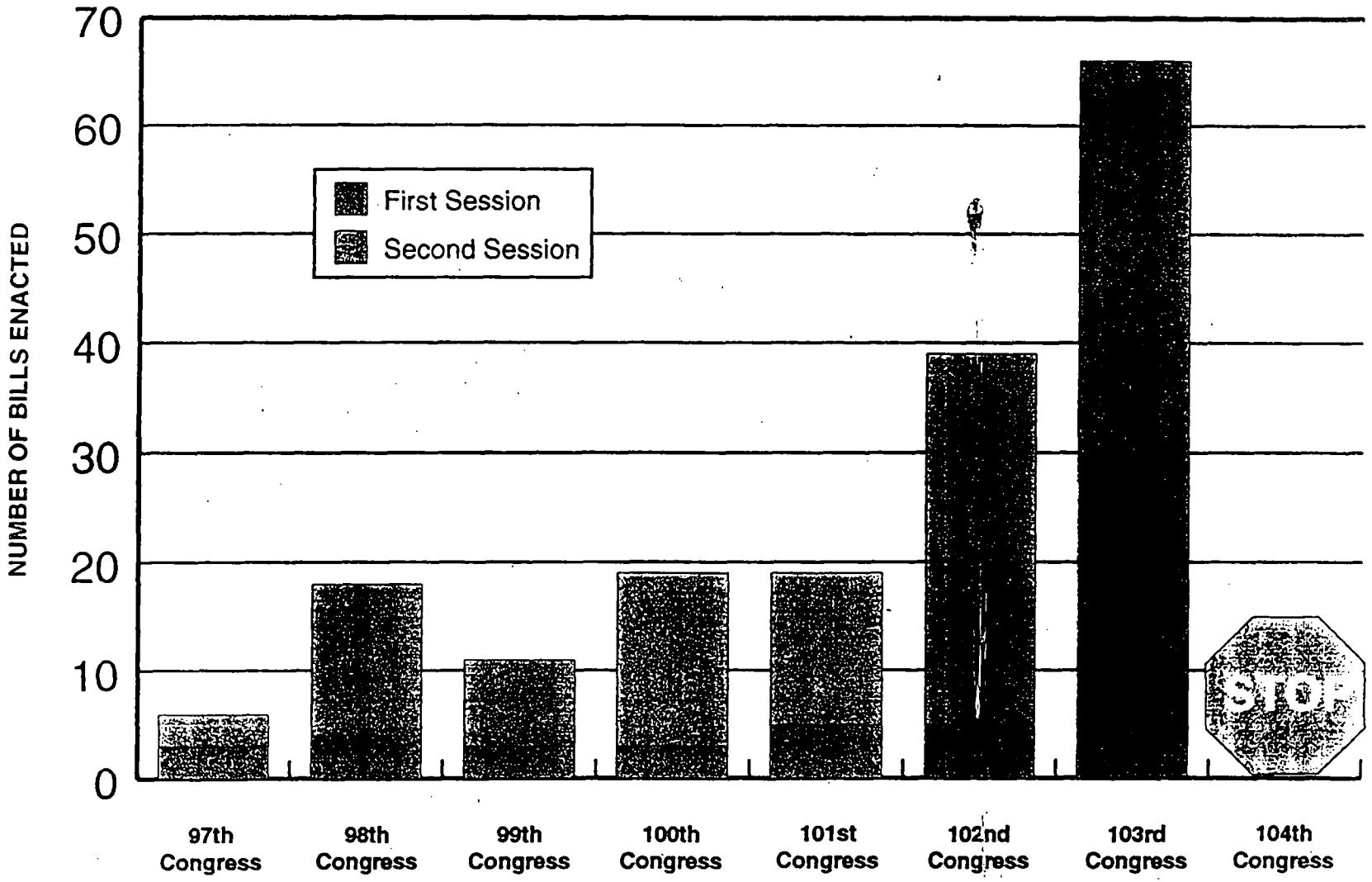
*reverse the current requirement that ob-gyn residency programs must provide training in abortion procedures in order to meet accreditation standards.

*reverse the requirement that states must cover abortions for victims of rape and incest under Medicaid..

THE HOUSE JUDICIARY COMMITTEE, IN A STRAIGHT PARTY LINE VOTE, REPORTED OUT LEGISLATION TO:

*Ban late term abortion procedures, even if the life and health of the woman is in jeopardy. The legislation, H.R. 1833, is the first bill the House Judiciary Committee has ever reported that directly unravels the constitutional rights of women as ruled in Roe v.Wade. It is also the first bill in the history of Congress that bans a particular medical procedure. The House will vote on the bill when they return in September.

BILLS ENACTED HELPING WOMEN AND FAMILIES: 1981-1995



Cindy Tauber
301-457-2378
Census Bureau - Older
Women specialist

EXECUTIVE OFFICE OF THE PRESIDE

19-Jan-1996 04:17pm

TO: Jennifer L. Klein

FROM: Pauline M. Abernathy
National Economic Council

SUBJECT: older women's income statistics

jen -- I think i prefer the single women's median income stat. what do you think based on this new information?

Income Statistics
Source: Census Bureau, March 1995 CPS (all statistics are for calendar year 1994)
Ed Welnech 301-763-8576
January 19, 1996

Number of men and women age 65 and older:

men 13.003 million
women 18.264 million

65 and older and living alone:

men:
2.253 million men
$14,080 median income
$23,428 mean

women:
7.591 million women (42% of all women age 65 and older)
$10,572 median
$14,157 mean

For all 65 and older:

women: $8,950 median (when married, reflect's woman's earning and Social Security, and half of unearned income jointly owned)
men: $15,250 median

65 and older and married:

7.815 million (43% of women age 65 and older)
$25,075 median
$34,013 mean

65 and older and living with other relatives (elderly is not the homeowner):

1.38 million
$45,489 median income
$57,515 mean income

DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of the Secretary

Washington, D.C. 20201

Date: 1-6-96

FACSIMILE

PLEASE NOTIFY OR HAND-CARRY THIS TRANSMISSION TO THE FOLLOWING PERSON AS SOON AS POSSIBLE:

Name(s): Jennifer Klein

Department:

Phone#: 202-456-2599

Fax#: 202-456-2878

FROM: Leslie Hardy

~~Assistant Secretary for Planning & Evaluation~~

Number of pages being transmitted (including fax sheet): 2

COMMENTS:

Information on Women's Health

NOTE TO JENNIFER KLEIN:

FROM: Leslie Hardy Leslie

DATE: January 6, 1996

SUBJECT: Marital Status of Nursing Home Residents

It occurred to me that my notation about the "martial status" table (last page of fax) from the 1987 National Medical Expenditure Survey may not have been clear. The percentages circled represent the proportion of **total** 65+ nursing home residents who are married/male; married/female (no difference); and unmarried/male; unmarried/female (about 20% vs. 68%, respectively). To determine the proportion of those "married" residents who are male or female, find the last figure (column percent) in each cell of the "married" column. Similarly, to find the proportion of those "female" residents who are married or unmarried, find the the next to last figure (row percent) in each cell of the "female" row, and so one.

I hope all of the notations, revisions, etc on the recent faxes have been clear. Please don't hesitate to call if you need additional information or have any questions.

All the best in 1996!

1989 NMES CURRENT RESIDENTS OF NURSING HOMES - UNWEIGHTED 1
THOSE AGED 65 AND OVER
14:10 Friday, January 5, 1996

TABLE OF SPSEX BY MARSTATB

SPSEX(SEX) MARSTATB(BHDP IMPUTED MARITAL STATUS)

Frequency / Percent / Row Pct / Col Pct	0: NOT MARRIED	1: MARRIED	Total
1: MALE	480	187	667
	18.24	7.11	25.35
	71.96	28.04	
	21.16	51.52	
2: FEMALE	1788	176	1964
	67.96	6.69	74.65
	91.04	8.96	
	78.84	48.48	
Total	2268	363	2631
	86.20	13.80	100.00

1989 NMES CURRENT RESIDENTS OF NURSING HOMES - UNWEIGHTED 2
THOSE AGED 65 AND OVER
14:10 Friday, January 5, 1996

TABLE OF SPSEX BY MARSTATB

SPSEX(SEX) MARSTATB(BHDP IMPUTED MARITAL STATUS)

Frequency / Percent / Row Pct / Col Pct	0: NOT MARRIED	1: MARRIED	Total
1: MALE	221895	86180	308075
	17.82	6.92	24.74
	72.03	27.97	
	20.65	50.36	
2: FEMALE	852618	84951	937370
	68.44	6.82	75.26
	90.94	9.06	
	79.35	49.64	
Total	1074313	171131	1245445
	86.26	13.74	100.00

65+ Nursing Home population 1987 NMES

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NEW INFO, IS