

A Catastrophic Attempt to Do Better

■ **Medicare:** The lesson is clear. Congress must find a fairer way to pay for the unfilled health needs of seniors.

By HENRY A. WAXMAN

Just before dawn, in the last hours of the last session of Congress, the 1988 Medicare Catastrophic Law was repealed. Ironically, it was repealed by about the same overwhelming margin of votes as had enacted it.

Repeal brought relief to many organizations that represent the elderly and to the better-off senior citizens who had fought the law's surtax, which would have ranged as high as \$800 per person.

But repeal also eliminated benefits that many people needed: a partial plan for prescription-drug coverage, respite care and mammography benefits; unlimited acute care and a limit on out-of-pocket payments for doctor visits.

The lost benefits were not the only ones seniors need. For many, the highest priority is good, long-term care coverage. But the lost benefits would have provided a lot of help for chronic conditions and high drug costs.

Unfortunately, instead of trying to make the catastrophic benefits better, so that they could provide more help for long-term care, the overwhelming sentiment in Congress was to do less. I finally voted for repeal because each new proposal to modify the law gave seniors less and less for their money.

Some of my exhausted colleagues left Washington with reassuring words that the repeal of the catastrophic plan would be the first step in a comprehensive re-assessment of Medicare.

But congressional optimism, however sincere, will be difficult to turn into reality. The firestorm of opposition shocked too many congressmen who thought they had brought a good program to seniors by enacting the law. Now many may be reluctant to adopt further reforms.

The people who benefited significantly,

far beyond any increases they were asked to pay, either didn't realize they would benefit or be silent. The most informed, best-organized seniors were the political force behind the repeal. Many of them have private insurance policies — the so-called "Medi-gap policies." They didn't want to pay increased Medicare premiums and surtax for benefits they already had. Many pointed to their excellent health coverage under civil-service and corporate retirement plans. The most vociferous opponents argued, with merit, that during their working years their unions had sacrificed salary gains for retirement health benefits.

The opponents of the law were not a numerical majority, but they raised an unrelenting chorus against the financing. In fact, the surtax, the most objectionable feature of the law, would have affected less than 40% of Medicare recipients. But the fact that seniors alone were to pay for the improvements caused widespread concern.

The dilemma can be stated simply: The benefits were needed — but not by all seniors. The seniors-only financing mechanism insisted on by the Reagan Administration was unfair. Many of the people who paid the most already had the coverage. They were unwilling to bear the cost for those who were sicker and in need of help.

The lesson is clear. Once (or if) Congress gets over the trauma of the catastrophic plan it must address the unfilled health needs of seniors and others — and it must find a better, fairer way to pay for them.

To give reasonable, adequate, compassionate health care to the elderly, Medicare has to be made better.

It has to provide long-term care. Right now, Medicare doesn't provide enough help to people who need assistance to stay at home. It doesn't help families who are trying to keep their relatives out of nursing homes, because it doesn't cover respite care or adult day-care services. Nursing home coverage under Medicare

also needs improvement. Right now, nursing-home care can cost \$30,000 or more a year. Very few of the elderly or their families can afford to pay that.

Medicare has to help people pay for prescription drugs. Drugs remain the most frequent out-of-pocket expenditure for the uninsured elderly. And we need to restore the mammography benefit — it will save lives and dollars.

Finally, we need to fill in the gaps in hospital and doctor care. That was the *initial* step we tried to take with the catastrophic bill, and we still need to make those improvements.

Sadly, the prospects for comprehensive Medicare expansion are dim. The need is there, but finding the money to pay for it is hard. The nation is still crippled by the enormous Reagan Administration deficit. I hope we are ready to recognize our enormous unmet needs here in America and the necessity to transfer resources from military spending to Medicare and other domestic programs, but that change may be slow.

Medicare enrollees have health-care needs that require immediate attention. We need to be willing to pay for programs that we need now, for the young and the old. And *all* of us, including the elderly, must pay our fair share.

We in Congress who have fought for Medicare expansion may have to resign ourselves to the fact that all of our goals may not be attained by passing a single law. We must be prepared to make the program better one step at a time. We must not let the repeal of catastrophic benefits keep us from dealing with the catastrophic reality of many seniors who are wiped out by the high cost of Medicare and long-term care. We must be prepared to take advantage of every opportunity to provide better health care to our seniors.

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