

## JOINT RESOLUTIONS

reconsider and amend the Medicare Catastrophic Coverage Act of 1988, ~~to spread to~~ *relieve the elderly from provisions of this tax burden by more evenly spreading* the cost of catastrophic health insurance among all ~~Medicare insured~~ taxpayers, and to control the costs of prescription drugs.

~~WHEREAS, The cost of insurance under the Medicare Catastrophic Coverage Act of 1988 is too much for older Americans to bear alone; and~~

*WHEREAS, The 100th Congress of the United States has enacted the Medicare Catastrophic Coverage Act of 1988, which provides covered individuals with additional health care; and*

*WHEREAS, In addition to a \$4 monthly premium increase to be paid by each covered individual, the Act has an unusual and unique procedure for revenue enhancement designated as a "supplemental premium"; and*

*WHEREAS, This "supplemental premium" is in effect a surtax, which is based upon and is added to the initial tax obligation of persons receiving Medicare benefits or eligible for Medicare benefits; and*

*WHEREAS, Those who must pay the surtax will have to pay the highest rate of personal income tax, rising from 15% in 1989 to 28% in 1993, with a maximum upper limit of an additional \$2,100 per couple; and*

*WHEREAS, The surtax is directed primarily at those persons who are at or above retirement age (veterans, pensioners, and retirees) whether or not they are actually covered by Medicare or are receiving Medicare benefits; and*

WHEREAS, The method of financing the cost of the new Act violates the long established Social Security principle that all who are likely to benefit from the system should contribute to the costs of the system; and

WHEREAS, ~~That~~ *This* method of financing is an inappropriate burden to place on people living on fixed incomes, especially in view of the disproportionate growth in the costs of health care; and

*WHEREAS, Because persons with higher incomes are taxed on a proportionately smaller amount of their total incomes, the ceiling placed on the yearly surtax also hurts persons in the low to middle income groups of the elderly; and*

WHEREAS, The new Act does not offer senior citizens the protection they want most - long-term nonskilled care in the home or in residential facilities; and

WHEREAS, The costs to the insured are open-ended since the Act authorizes the Secretary of Health and Human Services to change premiums and copayments; and

WHEREAS, The costs to the insured penalize those who planned for their retirement and saved enough to still have a federal income tax obligation; and

~~WHEREAS, It is a gross abridgment of personal freedom since the Act mandates payment by those eligible for services even if they neither seek nor need them;~~

*WHEREAS, The costs of prescription drugs have been increasing at an annual rate faster than other health care costs, and the federal government does not have a method to control these costs, especially the costs of manufacturing drugs; now, therefore, be it*