Subject: Federal Update

From: Maribeth Bersani

To: Area Agencies on Aging
Advisory Committees

Catastrophic Care

Senator Lloyd Bentsen has indicated that if recent revenue projections from the new catastrophic care premiums are correct, then those annual premiums could be reduced by as much as $300.

Projected revenues from the supplemental premium are now estimated to be close to $40 billion from 1989 to 1993, *or $4.9 billion more than is needed to finance the program. Senator Bentsen has said that if this surplus is used to reduce the supplemental premium, reductions would be as follows:

1989 maximum premium $800 --reduced to $500
1990 maximum premium $850 --reduced to $550
1991 maximum premium $900 --reduced to $600
1992 maximum premium $950 --reduced to $700
1993 maximum premium $1,050 --reduced to $800

Please note: Senator Bentsen has only proposed the above reduction and there must be Congressional and Presidential support before such a change in the law would occur.

Federal Fiscal Year 1990 Budget

Federal Fiscal Year 1990 begins October 1, 1989. A Budget agreement between the White House and Congress would reduce the deficit by $28 billion to $99.4 billion, just under the $100 billion Gramm-Rudman-Hollings deficit target. Approximately $14.2 billion of the $28 billion would come from additional revenues, with the remaining $13.8 billion coming from spending cuts.

*These projected revenues are not universally accepted, and in fact disputed by some.
Included in the spending reductions, Medicare would be cut by $2.7 billion. The House Select Committee on Aging included language that, "It is the Committee's intention that none of the savings directed to be achieved in Medicare shall come from provisions that reduce services or increase costs to beneficiaries," and "the Committee further urges that authorizing Committees proceed with extreme caution relative to Medicare provider changes which may negatively affect health care access and quality."

Although the House and Senate have both approved Budget Resolutions, these spending plans are not binding on the Authorization and Appropriations Committees, which can make changes in spending amounts as long as the totals match with the Budget Resolution.

U.S. BiPartisan Commission on Comprehensive Health Care

This Commission was created under the catastrophic care legislation, and given two charges. One was to make recommendations on how to provide long term care for older people, and the second was to recommend how to improve health care access for the 37 million Americans who are not insured. Members of the Commission are as follows:

Congressman Claude Pepper, Chair
Congressman Willis Gradison --Vice Chair
Senator Max Baucus --Vice Chair
Senator Dave Durenberger --Vice Chair
Congresswoman Mary Rose Oakar
Congressman Henry Waxman
Congressman Thomas Tauke
Congressman Peter Stark
Senator John Heinz
Senator David Pryor
Senator John Rockefeller
John Cogan --Stanford University
James Davis -- American Medical Association President
James Balog--Chair of Lambert --Brussels Capitol Corp.
Judith Feder--Staff Director

The Commission agreed to release the reports on Long Term Care and the Uninsured simultaneously, before the November 9, 1989 deadline.

Housing

Housing legislation has been introduced in both the House and Senate.

S565 & S566 -- The National Affordable Housing Act (Cranston/D’Amato)
These bills are very lengthy and difficult to succinctly summarize. If interested, you may want to contact the sponsors and request a copy of the legislation:

Senator Cranston  
U.S. Senate  
Washington, D.C. 20510

Congressman Gonzalez  
U.S. House of Representatives  
Washington, D.C. 20510

The House bill reauthorizes existing housing programs and adds a few new ones. It calls for an increase in spending of $7.7 billion over inflation in FY 1990.

The Senate bill also reauthorizes most existing programs and creates several new ones. This bill calls for increased spending of $4.1 billion over inflation.

Parental and Medical Leave Act

Both the House and Senate have introduced legislation in this area.

S.345 (Dodd) would provide unpaid, job protected parental and medical care leave for employees of businesses with 20 or more workers. Employees would be permitted to take up to 10 weeks of leave every 2 years for a new born child, adopted child, or to care for an ill child or parent. Workers could take 13 weeks of leave per year to recover from a serious illness.

Status: ordered to be reported favorably by the Senate 4/19/89

HR 770 (Clay) is similar but would allow 10 weeks of parental leave and 15 weeks for personal leave (including the care of ill parents). Employees of businesses with 50 or more workers would be covered by this legislation.

Status: reported to House with amendments 5/1/89

The Bush administration has stated opposition to any legislation that would mandate such a leave policy.

Minimum Wage

HR 2 would increase the minimum wage from $3.35 to $4.55 an hour over three years. The House and Senate Conference on this bill has been completed and floor action is expected in the next few weeks. The Administration has threatened to veto any increase over $4.25.
Foster Grandparents, Senior Companion and Retired Senior Volunteer Program

These programs are up for reauthorization this year as part of the Domestic Volunteer Services Act (HR2035).

Supplemental Security Income (SSI)

Attached is a chart prepared by the National Association of State Units on Aging comparing the various SSI bills.

Miscellaneous Bills

Attached is a list of miscellaneous bills and their status for your information.
COMPARISON OF SSI BILLS IN 101st CONGRESS

HR 360 (Rep Roybal, D-CA)

Purpose: To raise the SSI assets test to $4200 for an individual and $6300 for a couple and index future increases to CPI.

HR 361 (Rep Roybal)

Purpose: To raise over 3 years the maximum federal SSI benefit level to poverty (See HR 361).

SSI Benefits Improvement Act

HR 866 (Rep Matsui, D-CA)

Purpose: -Raise maximum federal benefit level to poverty (See HR 361).

-Raise assets levels to $4200 for an individual and $6300 for a couple (See HR 360).

-1/3 reduction for living in household of another would be modified to permit a lesser amount if individual can prove it.

-Require SSA to implement outreach program; special outreach for disabled children.

Cost

<table>
<thead>
<tr>
<th></th>
<th>'90</th>
<th>'91</th>
<th>'92</th>
<th>'93</th>
<th>'94</th>
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<tbody>
<tr>
<td>HR 360</td>
<td>$45million</td>
<td>$100</td>
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<td>HR 361</td>
<td>$2billion</td>
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<td>$8-9</td>
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<tr>
<td>HR 866</td>
<td>$2.45billion (partial estimate)</td>
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Committee Referral

Ways and Means

Ways and Means

Ways and Means

Cosponsors

43

45

37
## COMPARISON OF SSI BILLS IN 101st CONGRESS

<table>
<thead>
<tr>
<th>HR 867 (Matsui) SSI Technical Amendment Act</th>
<th>HR 868 (Matsui) SSI Disabled Children's Act</th>
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</thead>
<tbody>
<tr>
<td><strong>Purpose</strong></td>
<td><strong>Purpose</strong></td>
</tr>
<tr>
<td>- Changes in treatment of income and resource.</td>
<td>- Definition of disabled children.</td>
</tr>
<tr>
<td>1) worker's compensation and unemployment compensation; 2) weekly and biweekly income; 3) in-kind gifts; 4) resources of a separated couple; 5) $120 in interest and dividend income; 6) increase to $2500 of face value of life insurance and burial fund.</td>
<td>- Changes in family resources counted as available to children.</td>
</tr>
<tr>
<td>- Special provision relating to mentally ill.</td>
<td></td>
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<tr>
<td>- Medicaid eligibility:</td>
<td></td>
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<tr>
<td>1) retain Medicaid eligibility if individual becomes eligible for SS early retirement benefit; 2) retain Medicaid eligibility if individual qualifies for spouse's benefit at age 62; 3) retain Medicaid eligibility for certain disabled adult children.</td>
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</tbody>
</table>

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<thead>
<tr>
<th>Committee Referral</th>
<th>Ways and Means</th>
<th>Means and Means</th>
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<tr>
<td>Cosponsors</td>
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<td></td>
<td>37</td>
<td>37</td>
</tr>
</tbody>
</table>
COMPARISON OF SSI BILLS IN 101st CONGRESS

S 600 (Sen Pryor, D-AK)

Purpose

- Require permanent SSI outreach by SSA, cooperative efforts with groups. (HR 866)
- Raise allowable amount for burial account and life insurance to $2500 (face value). (HR 867)
- Average of annual income. (HR 867)
- Disregard $120 of dividend and interest income annually; increase annually by $12 until 1995.

Committee

Finance Committee

Referral

Finance Committee

Cosponsors

Riegle

S 665 (Sen Heinz, R-PA)

- Increase SSI Resource Limit. (Same as HR 360)
- Make changes in determination of childhood disability.
- Change counting of resources for determining eligibility of child.
- Outreach for children and adults.

April 1989
ATTACHMENT -- MISCELLANEOUS LEGISLATION

*** STATUS REPORT -- LATEST MAJOR ACTION ***

MEASURE: HR7

SPONSOR: Hawkins (D-CA)

OFFICIAL TITLE: A bill to amend the Carl D. Perkins Vocational Education Act to extend the authorities contained in such Act through the fiscal year 1995.

COSPONSORS: 11 (Dems: 10 Reps: 1)

COMMITTEES: Education & Labor

05/02/89 Rules Committee Resolution H Res 143 reported to the House. (WR p. 1016)

*** STATUS REPORT -- LATEST MAJOR ACTION ***

MEASURE: HR774

SPONSOR: Coyne (D-PA)

OFFICIAL TITLE: A bill to amend title XVIII of the Social Security Act with respect to coverage of, and payment for, services of psychologists under part B of the Medicare Program.

COSPONSORS: 65 (Dems: 54 Reps: 11)

COMMITTEES: Energy & Commerce
           Ways & Means

03/17/89 *** Related bill, S 656, introduced in the Senate. ***

*** STATUS REPORT -- LATEST MAJOR ACTION ***

MEASURE: S543

SPONSOR: Simon (D-IL)

OFFICIAL TITLE: A bill to amend the Job Training Partnership Act to strengthen the program of employment and training assistance under that Act, and for other purposes.

COSPONSORS: 2 (Dems: 2 Reps: 0)

COMMITTEES: Labor & Human Resources
03/16/89 Subcommittee hearings held by the Senate Labor & Human Resources Committee, Subcommittee on Employment and Productivity.

*** STATUS REPORT -- LATEST MAJOR ACTION ***

MEASURE: HR712

SPONSOR: Stark (D-CA)

BRIEF TITLE: Medicare Inpatient Hospital Capital Expenditure Amendments of 1989.

COSPONSORS: 0 (Dems: 0; Reps: 0)

COMMITTEES: Ways & Means

03/13/89 Subcommittee hearings held by the House Ways & Means Committee, Subcommittee on Health.

*** STATUS REPORT -- LATEST MAJOR ACTION ***

MEASURE: HR1336

SPONSOR: Applegate (D-OH)

OFFICIAL TITLE: A bill to amend title 38, United States Code, to reduce from 2 years to 1 year the period of time that a surviving spouse must have been married to a veteran who dies while in receipt of compensation for a service-connected disability in order for the surviving spouse to be eligible for dependency and indemnity compensation.

COSPONSORS: 4(Dems: 2 Reps: 2)

COMMITTEES: Veterans' Affairs

04/05/89 Subcommittee hearings held by the House Veterans' Affairs Committee, Subcommittee on Compensation, Pension and Insurance.

*** STATUS REPORT -- LATEST MAJOR ACTION ***

MEASURE: HR1334

SPONSOR: Applegate (D-OH)
OFFICIAL TITLE: A bill to amend title 38, United States Code, to remove a limitation relating to the payment of pension to veterans furnished hospital care by the Veterans' Administration on a long-term basis.

COSPONSORS: 1 (Dems: 1 Reps: 0)

COMMITTEES: Veterans' Affairs

04/05/89 Subcommittee hearings held by the House Veterans' Affairs Committee, Subcommittee on Compensation, Pension and Insurance.

*** STATUS REPORT -- LATEST MAJOR ACTION ***

MEASURE: HR1335

SPONSOR: Applegate (D-OH)


COSPONSORS: 12 (Dems: 8 Reps: 4)

COMMITTEES: Veterans' Affairs

04/05/89 Subcommittee hearings held by the House Veterans' Affairs Committee, Subcommittee on Compensation, Pension and Insurance.

*** STATUS REPORT -- LATEST MAJOR ACTION ***

MEASURE: S335

SPONSOR: McCain (R-AZ)


COSPONSORS: 10 (Dems: 4 Reps: 6)

COMMITTEES: Finance

04/12/89 Senate considered & amended S 4 (Minimum Wage), struck all after the enacting clause of HR 2 (Minimum Wage), inserted text of S 4 as amended & Passed HR 2; HR 2 as passed includes an amendment expressing sense of Senate that Senate Finance Cmte review and hold hearings on PL 100-360, Medicare Catastrophic Coverage Act of 1988. (CR S3719-S3726)
**STATUS REPORT -- LATEST MAJOR ACTION**

**MEASURE:** S382

**SPONSOR:** Graham (D-FL)

**BRIEF TITLE:** Business and Citizen School Volunteers of America Act of 1989.

**COSPONSORS:** 3 (Dems: 2 Reps: 1)

**COMMITTEES:** Labor & Human Resources

04/21/89 Committee hearings held by the Senate Labor & Human Resources Committee.

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**STATUS REPORT -- LATEST MAJOR ACTION**

**MEASURE:** S408

**SPONSOR:** Mikulski (D-MD)

**BRIEF TITLE:** National Community Service Act of 1989.

**COSPONSORS:** 7 (Dems: 6 Reps: 1)

**COMMITTEES:** Labor & Human Resources

04/21/89 Committee hearings held by the Senate Labor & Human Resources Committee.

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**STATUS REPORT -- LATEST MAJOR ACTION**

**MEASURE:** S565

**SPONSOR:** Cranston (D-CA)

**BRIEF TITLE:** National Affordable Housing Act.

**COSPONSORS:** 36 (Dems: 28 Reps: 8)

**COMMITTEES:** Finance

03/23/89 ***Related bill, HR 1637, introduced in the House.***
**STATUS REPORT -- LATEST MAJOR ACTION**

**MEASURE:** HR770

**SPONSOR:** Clay (D-MO)

**BRIEF TITLE:** Family and Medical Leave Act of 1989.

**COSPONSORS:** 151 (Dems: 136; Reps: 15)

**COMMITTEES:**
- Education & Labor
- House Administration
- Post Office & Civil Service

05/01/89 REPORTED TO THE HOUSE AMENDED by the House Committee on House Administration. Report No: 101-28 (Part III).

**STATUS REPORT -- LATEST MAJOR ACTION**

**MEASURE:** HR2

**SPONSOR:** Hawkins (D-CA)

**BRIEF TITLE:** Fair Labor Standards Amendments of 1989.

**COSPONSORS:** 101 (Dems: 98; Reps: 3)

**COMMITTEES:** Education & Labor

05/08/89 Conference report 101-47 filed in House. (CR H1670-H1676)

50 of 54 Items

**STATUS REPORT -- LATEST MAJOR ACTION**

**MEASURE:** HR1879

**SPONSOR:** Bilirakis (R-FL)

**OFFICIAL TITLE:** A bill to amend the Older Americans Act of 1965 to require that the number of individuals who are 85 years of age and older be taken into consideration by States for purposes of designating planning and service areas and of distributing funds under such act.

**COSPONSORS:** 0 (Dems: 0; Reps: 0)

**COMMITTEES:** Education & Labor

04/13/89 Referred to House Committee on Education & Labor.
*** STATUS REPORT -- LATEST MAJOR ACTION ***

MEASURE:  S345
SPONSOR:  Dodd (D-CT)
COSPONSORS:  20 (Dems: 17 Reps: 3)
COMMITTEES:  Labor & Human Resources
04/19/89  Ordered to be reported favorably by the Senate Labor & Human Resources Committee. (WR pp. 892, 963)

*** STATUS REPORT -- LATEST MAJOR ACTION ***

MEASURE:  HR1432
SPONSOR:  Hawkins (D-CA)
COSPONSORS:  9 (Dems: 7 Reps: 2)
COMMITTEES:  Education & Labor
04/18/89  Joint hearings held by the House Aging Committee; Education & Labor Committee, Subcommittee on Employment Opportunities. (WR p. 891)

*** STATUS REPORT -- LATEST MAJOR ACTION ***

MEASURE:  HR2039
SPONSOR:  Hawkins (D-CA)
BRIEF TITLE:  Job Training Partnership Act Amendments of 1989.
COSPONSORS:  4 (Dems: 4 Reps: 0)
COMMITTEES:  Education & Labor
04/18/89  Referred to House Committee on Education & Labor.