

REP. PETE STARK (CA)

SENIOR DEMOCRAT

REP. CAROLYN B. MALONEY (NY)

REP. MELVIN L. WATT (NC)

REP. BARON P. HILL (IN)

SEN. JACK REED (RI)

SEN. EDWARD M. KENNEDY (MA)

SEN. PAUL S. SARBANES (MD)

SEN. JEFF BINGAMAN (NM)

108TH CONGRESS

804 HART SENATE OFFICE

BUILDING

WASHINGTON, DC 20510-6602

202-224-0372

FAX 202-224-5568

www.senate.gov/~jcd/democrats

WENDELL PRIMUS

STAFF DIRECTOR

Congress of the United States
Joint Economic Committee
Democrats

Opening Statement
Representative Pete Stark
Joint Economic Committee Hearing
July 22, 2004

Thank you, Chairman Bennett. I would like to thank the Chairman for holding this hearing on the important issue of the growing elderly population, longevity, morbidity, and the implications for our health care system.

The witnesses joining us today are leading researchers in this field and I'm looking forward to their testimony. We appreciate being able to draw on their vast experience and expertise as we grapple with the myriad public policy issues surrounding our increased longevity.

That we are living longer is certainly good news, but the question that remains is what will our quality of life be as we age?

Medicare and Medicaid provide health security for the elderly, but there's no comprehensive national strategy for long-term care. You can't predictably know when you or a family member might need such care, and many families cannot shoulder the burden of a long convalescence or illness.

Most people can't buy cost-effective insurance for long-term care, and Medicare doesn't cover it. Medicaid does provide this type of support, but only for the very poor, and the scope and quality of services varies by state. We have seen cases of married couples divorcing just so that the very ill or dying person does not leave their spouse impoverished in order to obtain the care they need. This is hardly a family-friendly policy.

There is a crying need for a sensible strategy that provides quality and affordable long-term care. Dr. Lubitz points out that as our longevity improves more financial pressure will be put on an already stressed Medicaid system, while Medicare will experience only a little extra pressure. We can't fix this coverage gap through Medicaid.

Dr. Feder points out the obvious need for a federally funded program, due to the fact that the demands for such care will vary by state and the ability of their working age population to support their elderly population. For example, she shows that in California we won't have nearly as large of a decline in the number of workers supporting our elderly over the next two decades as you will in Utah.

With the baby boom generation aging, the need for long-term care will reach a crisis point if we don't act soon. I look forward to hearing from our witnesses about how we might avoid such a disaster.

###