

Statement of Senator Larry Craig
Senate Special Committee on Aging
"Broken and Unsustainable: The Cost Crisis of Long
Term Care for Baby Boomers"
March 21, 2002

Thanks to Chairman Breaux's leadership, this committee has held many hearings on the issue of long-term care. Today we are holding what may prove to be one of the most important hearings on the subject. This hearing will be a hard look at the finances that will be required to care for the 77 million aging baby-boomers as they start retiring within the next ten years.

This committee is very aware that the long-term care system that we have in place now most likely will not be able to accommodate the needs of the soon-to-be-retiring. Not only does our current system lack a coherent system of care that seniors can turn to for help, but as this hearing will demonstrate, a solid financial foundation for the future may not be in place either.

Last week this committee heard from the LT. Governor of Idaho, Jack Riggs and Karl Kurtz, the Director of Idaho Health and Welfare regarding the tight fiscal constraints they have to consider when developing Medicaid and long-term care polices. States like Idaho are having to make substantial changes right now in their policies to provide care to current beneficiaries, and this says nothing of the changes they will need to make to prepare for the future. As I am sure we will hear from Governor Patton, these fiscal strains are felt in all states.

If long-term care financing changes are not made to our current system, both state and federal governments may be unable to meet the needs of the many seniors who depend on these programs. This country has focused many debates on the important need to keep Social Security and Medicare solvent, yet little attention has been given to the need to shore up long-term care finances. For this reason, I am happy the committee is looking at this topic and I welcome the opportunity to discuss this issue further.

I am delighted that Governor Patton is here to share some of the issues that he is facing in Kentucky and I look forward to Mr. Walker's testimony and his analysis on projected spending of long-term care.