

The original documents are located in Box 22, “1/21/76 - Talking Points: National Retired Teachers Association / American Association of Retired Persons” of the President’s Speeches and Statements: Reading Copies at the Gerald R. Ford Presidential Library.

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THE PRESIDENT HAS SEEN....

TALKING POINTS:

NATIONAL RETIRED TEACHERS ASSOCIATION/

AMERICAN ASSOCIATION OF RETIRED PERSONS

JANUARY 21, 1976

FIRST LET ME THANK YOU VERY MUCH FOR THIS BOOK

AND WELCOME YOU TO THE WHITE HOUSE TODAY.

BETTY AND I

ARE VERY PLEASED TO HAVE YOU HERE WITH US.

I UNDERSTAND

THAT THE GOALS OF YOUR ORGANIZATIONS FOLLOW THE BASIC THEME

OF THIS BOOK -- TO SERVE RATHER THAN BE SERVED, TO ENJOY

SELF-RENEWAL THROUGH ACTIVITY AND SERVICE, AND TO EMPLOY THE

CONCEPT OF "DYNAMIC MATURITY."

THIS IS REFLECTED IN THE VERY FINE VOLUNTEER WORK THAT IS

ACCOMPLISHED THROUGH THE AMERICAN ASSOCIATION OF

RETIRED PERSONS AND THE NATIONAL RETIRED TEACHERS

ASSOCIATION.

IN MY STATE OF THE UNION ADDRESS MONDAY NIGHT

I SPOKE ABOUT SEVERAL THINGS WHICH ARE OF PARTICULAR

CONCERN TO RETIRED PERSONS.

AS I SAID THEN, "MY FIRST OBJECTIVE IS TO HAVE

SOUND ECONOMIC GROWTH WITHOUT INFLATION." I WAS VERY

PLEASED TO REPORT THAT THE DOUBLE-DIGIT INFLATION RATE OF

1974 HAD BEEN CUT ALMOST IN HALF IN 1975.

AS YOU ARE WELL AWARE, OLDER AMERICANS WHO ARE LIVING ON
FIXED INCOMES ARE ESPECIALLY HARD HIT BY INFLATION●

I PLEDGE TO CONTINUE THE FIGHT AGAINST INFLATION TO HELP

THESE ELDERLY CITIZENS, AS WELL AS EVERY OTHER AMERICAN●

I ALSO SPOKE OF SOCIAL SECURITY -- WHICH IS SO
IMPORTANT NOT ONLY TO RETIRED PERSONS BUT ALSO TO PEOPLE
WHO ARE STILL WORKING AND CONTRIBUTING TO THE SYSTEM.

I AM RECOMMENDING IN MY BUDGET FOR FISCAL YEAR 1977 THAT
THE FULL COST OF LIVING INCREASE IN SOCIAL SECURITY BENEFITS
BE PAID DURING THE COMING YEAR.

ON MONDAY EVENING I INDICATED MY CONCERN ABOUT
THE INTEGRITY OF THE SOCIAL SECURITY TRUST FUND THAT ENABLES
PEOPLE TO COUNT ON THIS SOURCE OF RETIREMENT INCOME.

I AM CONCERNED BECAUSE THE SYSTEM NOW PAYS OUT MORE IN
BENEFITS THAN IT RECEIVES IN TAX PAYMENTS.

TO PREVENT A RAPID DECLINE IN THE TRUST FUND

OVER THE NEXT FEW YEARS, I WAS FACED WITH A VERY DIFFICULT
CHOICE -- EITHER TO LIMIT THE EXPECTED INCREASES IN RETIREMENT
AND DISABILITY BENEFITS OR TO INCREASE REVENUES.

I MADE A DECISION AND I KNOW IT TO BE THE RIGHT ONE●

I AM PROPOSING A PAYROLL TAX INCREASE OF THREE-TENTHS OF A
PERCENT EACH FOR EMPLOYEES AND EMPLOYERS OF COVERED WAGES●

THIS TAX INCREASE WILL HELP STABILIZE THE TRUST FUNDS SO THAT
CURRENT AND FUTURE RECIPIENTS WILL BE ASSURED THAT THEY WILL
RECEIVE THE BENEFITS THEY ARE ENTITLED TO●

I ALSO SPOKE MONDAY NIGHT OF THE BURDEN OF

CATASTROPHIC ILLNESS. I WANT TO ELIMINATE THE FEAR OF

THIS BURDEN. I THEREFORE PROPOSED CATASTROPHIC HEALTH

INSURANCE FOR THE MORE THAN 24 MILLION AGED AND DISABLED

AMERICANS PROTECTED BY MEDICARE.

AS I SAID THEN, NODOBY WHO IS COVERED BY MEDICARE WILL HAVE
TO PAY MORE THAN 500 DOLLARS A YEAR FOR COVERED HOSPITAL OR
NURSING HOME CARE NOR MORE THAT 250 DOLLARS FOR ONE YEAR'S
DOCTORS' BILLS•

TO HELP FINANCE THIS ADDED PROTECTION, I AM ALSO
PROPOSING CHANGES IN THE COST SHARING REQUIREMENTS.

AS UNDER THE CURRENT SYSTEM, A BENEFICIARY WHO IS IN THE
HOSPITAL WILL PAY FOR THE FIRST DAY OF SERVICES. IN

ADDITION HE OR SHE WILL PAY 10 PERCENT OF ADDITIONAL
CHARGES UP TO AN ANNUAL MAXIMUM OF 500 DOLLARS.

FOR COVERED PHYSICIANS' SERVICES MY PROPOSAL

WOULD INCREASE THE ANNUAL DEDUCTIBLE FOR 60 DOLLARS TO

77 DOLLARS. THE BENEFICIARY WILL CONTINUE TO PAY THE

EXISTING CO-PAYMENT OF 20 PERCENT. BUT I AM PROPOSING

THAT NO ONE COVERED BY MEDICARE WILL HAVE TO PAY MORE THAN

250 DOLLARS FOR ONE YEARS'S DOCTORS' BILLS.

I FEEL THAT THESE PROPOSALS ARE OF PARTICULAR
IMPORTANCE IN ACHIEVING MY GOAL OF HELPING ALL AMERICANS
TO LIVE IN DIGNITY, SECURITY AND GOOD HEALTH. I HOPE
THAT YOU JOIN ME IN SECURING CONGRESSIONAL PASSAGE OF MY
PROPOSALS.

I WANT YOU TO KNOW THAT I APPRECIATE AND VALUE
YOUR EFFECTIVE COMMITMENT TO A CAUSE THAT IS TOO OFTEN
NEGLECTED -- THE DIGNITY AND WELL-BEING OF AMERICA'S
OLDER GENERATION●

I UNDERSTAND THAT YOU ARE GOING TO GO ON A TOUR
OF THE WHITE HOUSE NOW. BETTY AND I HOPE THAT YOU
ENJOY YOUR VISIT HERE AND PLEASE COME BACK AGAIN.

END OF TEXT