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## Several 3rd District candidates call for Social Security, Medicare reform

By WILLIAM PETROSKI • bpetroski@dmreg.com • May 19, 2010

Several candidates seeking the Republican Party's nomination to represent lowa's 3rd District in Congress propose major changes to Social Security and Medicare.

During a forum Tuesday sponsored by The Des Moines Register and WHO-TV, candidates called for changes that included gradually raising the age of eligibility for such programs and prohibiting wealthy people from participating.

They also encouraged efforts to curb fraud and waste and more efficiently manage Social Security and Medicare.



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The candidates are competing in the June 8 Republican primary for the opportunity to face incumbent U.S. Rep. Leonard Boswell, a Democrat, in November's general election.

Dave Funk of Runnells, an aviation security consultant, contended that there is no constitutional authority at the federal level for a Social Security program. He said he favors a transition for Social Security, into what would initially be a public-private partnership and eventually a system where future Americans would fund their own retirements and disability insurance.

"Let's face it, if there's a business in the Yellow Pages that can do this, the government should not be doing it. It is really no simpler than that," Funk said.

Mark Rees, a retired West Des Moines architect, said guidelines for participation in Social Security should be re-evaluated, with possible changes including raising the age for eligibility and raising the cap on earnings taxed for Social Security, currently \$106,800.

"I agree that part of the problem today is the excessive draw," Rees said. "There are too many

people in the program who have contributed very little, if anything, to Social Security."

The millions of baby boomers starting to reach retirement age compound the problem, Rees said. And the children of baby boomers are concerned there will not be any money available for Social Security when they retire, he said. Another option is to explore different ways to invest Social Security money, he said.

Brad Zaun of Urbandale, a state senator who is vice president at R&R Realty, said the problem with Social Security is the people who manage it.

He has a problem with billionaires such as Omaha businessman Warren Buffett being eligible to draw Social Security. But lawmakers must ensure "this is going to be financially viable for the people who are going to depend on it," he said.

Scott Batcher of West Des Moines, who has 15 years of experience as a health care consultant, said federal officials need to crack down on Medicare fraud, which he estimated at 10 percent of the program's costs.

"If you start to attack the fraud ... you can make the Medicare system more healthy. As we have promised our retirees ... we still need to fund it and fund it appropriately," Batcher said. The way to eliminate Medicare fraud is to consult experts from health care companies who know how to get rid of it, he said.

"You have to ask the experts, not the lobbyists,"



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Batcher said.

Jim Gibbons, a financial adviser from Des Moines, said he also supported eliminating waste and fraud from government. "The way we drive down costs is the quick increase of supply of health care and also the increase of competition," he said, noting how the law of supply and demand affects farm commodity prices.

Gibbons also said he is concerned that lowa taxpayers are subsidizing health care costs for Medicare and Medicaid recipients in other states, which he described as a transfer of wealth.

Pat Bertroche of Urbandale, a psychiatrist, said the Medicare issue is complicated and can't be solved during a political debate.

"We need to start revamping how we do business with physicians from the government level," Bertroche said. "The second thing is that there are some tough choices. We have baby boomers hitting Medicare right now... I think what we need to do is to start very gradually pushing the age ... in which you can get Medicare back further and further."

Michael Tanner, a senior fellow at the Cato Institute, a libertarian-leaning group in Washington, said he was encouraged to hear that lowa political candidates are talking about solutions to the difficult financial problems faced by Social Security and Medicare.

The alternatives to fixing the problems include reducing benefits because the government faces enormous unfunded liabilities, or enacting unrealistically large tax increases, said Tanner, who has written several books on domestic policy issues.

He suggests a hybrid approach that would include a combination of reduced benefit payouts with some type of personal account to offset losses recipients would otherwise suffer.

The field has seven candidates. Jason Welch of Grimes declined to participate. If no candidate gets 35 percent of the vote on June 8, a state Republican nominating convention will pick the nominee.



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