
Labor Secretary Links Health Care Reform, Retirement Security

By Editor Test *Tue, Oct 27, 2009*

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At the Retirement USA conference in Washington D.C. last week, U.S. Secretary of Labor Hilda Solis argued that health insurance reform is essential for a financially secure retirement, RTT News reported.

"For retirees and their families, employer-sponsored health care is rapidly disappearing," Solis said. "And, outside the unionized and public employee settings, individuals retiring before Medicare-eligibility age are all too often left on their own to find coverage. And what they can find is often too limited and too expensive.

"Even families with health insurance are getting crushed by the rising costs," she added. "My own father, who had a stroke last year, has seen his prescription drug costs skyrocket. Every family has a story. We can and we must turn this around."

She also announced that the Labor Department will soon ask retirement plan providers to submit ideas for encouraging more employers to offer guaranteed income options to 401(k) plan participants.

"We also hope to educate participants on the value of selecting a lifetime income stream or annuity product when they retire, so that they will not outlive their retirement benefits," Solis said. "It's time to think of new ways to encourage employers to provide pensions for their workers and new types of pensions that do not put the full investment responsibility on workers."

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