



Alternative Visions for Medicare

A fork in the Medicare road leads to different destinations. The “Republican,” way leads to abolishing traditional Medicare in favor of vouchers. The “Democrat” way leads to preserving and strengthening Medicare through the Affordable Care Act.

Lyndon Johnson signed Medicare into law on July 30, 1965. Before this, 51% of seniors had no medical insurance and 30% lived in abject poverty. Today, largely because of Medicare, only 7% are in poverty and all seniors have healthcare security. What a difference Medicare has made! In a recent poll, 84% of seniors say Medicare is “very important to their well-being.”

In November 2010, when Republicans became the majority in the U.S. House of Representatives, Paul Ryan, Chairman of the Finance Committee, presented the Republican alternative to Medicare. Under this plan, traditional Medicare ends in 2022. Seniors then lose the guaranteed benefits they paid for in their payroll taxes. Instead they must purchase private insurance in the open market as a substitute for Medicare. Government provides a voucher that covers part of the premium. Seniors are left to pay the rest, estimated at \$7,000 the first year. The amount of the government voucher remains constant. As insurance costs increase, seniors pay more each year. **Under this Republican plan government would balance the budget by shifting the cost of health care from Medicare to individual seniors. Medical care for seniors becomes rationed by income. Those with money get treatment.**

America has rejected this “pay or die” approach to medical care. Democrats crusaded for Medicare until it became law and have always been staunch supporters. Republicans say the nation can no longer afford this luxury. They take the other path.

DEMOCRATS WILL FIGHT TO HELP OLDER AMERICANS KEEP THEIR MEDICARE.

Democrats address the financial challenges to keeping Medicare solvent. Under the ACA, affluent seniors pay higher fees. The Act imposed new taxes on the very rich to benefit the Medicare Trust Fund. Medicare has new resources to fight fraud, saving hundreds of millions of dollars. It is challenging inappropriate doctor fees, hospital charges, medical device costs, drug prices—and more. **The CBO expects Medicare to save \$575 billion over 10 years.**

Rather than declare Medicare bankrupt and end it, Democrats will let the ACA savings go into effect. **The ACA offers a course correction for Medicare. It adds 16 years to the solvency of the trust fund with the prospects for huge additional savings. We can and will manage Medicare—while providing quality health care to the entire population.**

WE DO A DISSERVICE TO SENIORS BY SPREADING FEAR AND DISTRUST.