THE REPUBLICAN RECORD ON MEDICARE, MEDICAID AND SOCIAL SECURITY:
Attacks on Benefits Seniors Have Earned and Deserve

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Introduction

On December 20, 2017, the House of Representatives passed H.R. 1, the Tax Cuts and Jobs Act, sending it to President Trump who signed it into law on December 22, 2017. More than 80% of the law’s tax cuts will go to the top 1% wealthiest people when it is fully phased in by 2027, providing those households with an average tax cut of $51,000 in 2018 alone. Corporate tax rates are permanently slashed by the law from 35% to 21%.

The Republican tax scam is not only unfair, but irresponsible: it creates a $1.9 trillion hole in the budget over next ten years. No Democrat supported it – not just because of its contents but because of how Republicans have said they intend to pay for it: massive cuts to Medicare, Medicaid and Social Security. Even as Congressional Republicans were debating and voting on tax breaks for the wealthiest among us, they were vocal in their plans to cut Medicare, Medicaid and Social Security.

Their assaults are not new, however. They are part of the consistent Republican budget approach that rewards wealthy donors and corporations at the expense of older Americans, people with disabilities, working families, and children. Over the past decade, Republicans have consistently offered budget resolutions that included tax cuts for the wealthiest families and corporate CEOs, while gutting Medicare and Medicaid. In the 115th Congress, the Republican majority took a phased approach. Step one: provide tax cuts. Step two: cut Social Security, Medicare and Medicaid. The result would be the same as their budgets: tax breaks for the wealthy paid for by cutting essential benefits for everyone else.

Ever since taking control of the House in 2011, Republicans have advanced budget resolutions that would drastically cut federal funding and benefits for older Americans as well as people with disabilities, children and families who rely on Medicare, Medicaid and Social Security. The two Fiscal Year (FY) 2019 budget resolutions offered by House Republicans this year provide the most recent evidence of that approach. H.Con.Res. 128, the FY2019 budget resolution offered by Republican Budget Committee Chairman Steve Womack in June 2018. It was passed by the Committee on a straight party line vote on June 21, would cut $2.1 trillion from health programs (including $1.5 trillion from Medicaid and the Affordable Care Act and $537 billion from Medicare over 10 years) and reduce Social Security spending by $4 billion. According to the Center on Budget and Policy Priorities, the budget resolution:

“...would retain the costly tax cuts enacted last year – which primarily benefit the well-off – while making deep cuts in health care and basic assistance for struggling families

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1 Vote #699, 224-201.
and severely cutting funding over time for investments that can boost the nation’s productivity and thereby foster economic growth.”

The more than 150 members of the Republican Study Committee (RSC) have called for even more extreme versions of the GOP’s Medicare, Medicaid and Social Security benefit cut proposals. While the RSC does not set policy for the entire Republican Caucus, it does represent more than half of current Republican House members, including 17 out of 22 Republican members who serve on the House Budget Committee. Their “Fiscal Year 2019 Budget: A Framework for Unified Conservatism,” would cut Social Security by $259 billion and Medicare by $1.35 trillion, while slashing $3.78 trillion from Medicaid, the Children’s Health Insurance Program, and Affordable Care Act assistance over the next 10 years.

This report looks at four specific benefit cut policies that would affect older Americans and that are found in Republican budget resolutions:

- Medicare premium support;
- Medicaid block grants;
- An increase in eligibility age for Social Security and Medicare; and,
- Repeal of the Affordable Care Act, which destroys protections for people with pre-existing conditions, imposes an age tax and raises prescription drug costs.

In addition, the report provides:

- A brief summary of Social Security, Medicare and Medicaid provisions in recent Republican budget proposals;
- Statements from Republican lawmakers on those efforts;
- A sampling of comments from aging organizations on the possible impacts of those provisions; and,
- State-by-state data on the number of Social Security, Medicare and Medicaid beneficiaries.

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3 “Republican Study Committee Releases FY2019 Budget,” Committee for a Responsible Federal Budget, April 27, 2018.
Key Assaults on Benefits for Seniors and their Families

Medicare Premium Support

“Removing the Medicare guarantee of affordable health coverage for older Americans by implementing a premium support system and asking seniors and future retirees to pay more is not the right direction.” AARP, 4/1/14

Premium support would change the structure of Medicare – providing a limited payment with which to purchase an insurance plan. Currently, people can choose to enroll in traditional Medicare – where they can select their own doctors – or a Medicare Advantage plan with restricted choice of providers – without having to pay additional premiums. Under premium support, seniors and persons with disabilities would be given a set payment (sometimes called a voucher) to purchase a plan, and they would be responsible for paying any premium costs above the value of the premium support payment. The goal of premium support is to reduce federal Medicare spending by shifting more costs to senior citizens and persons with disabilities.

In 2010, now-Speaker Paul Ryan proposed premium support in “A Roadmap for America’s Future,” H.R. 4529. Under his plan (which would also raise the age of eligibility for Medicare to 69), anyone eligible for Medicare beginning in 2021 would be given a payment to pay for a private plan. At the time, the non-partisan Congressional Budget Office had this to say:

“Beneficiaries would therefore face higher premiums in the private market for a package of benefits similar to that currently provided by Medicare. Moreover, the value of the voucher would grow significantly more slowly than CBO expects that Medicare spending per enrollee would grow under current law. Beneficiaries would therefore be likely to purchase less comprehensive health plans or plans more heavily managed than traditional Medicare, resulting in some combination of less use of health care services and less use of technologically advanced treatments than under current law. Beneficiaries would also bear the financial risk for the cost of buying insurance policies or the cost of obtaining health care services beyond what would be covered by their insurance.”

Over the years, Republicans have proposed slightly different versions of the premium support approach – each of which would result in cuts to federal Medicare spending and higher out-of-pocket costs for seniors. In some proposals, the amount of the voucher would be set and rise each year by the general (not the medical) inflation rate – meaning that it would lose value year after year because medical inflation rises faster than the amount of the voucher would increase. In others, it would be based on the average or the second-lowest cost plan offered for that year. In looking at those approaches recently, the Congressional Budget Office concluded that “…in many regions, total payments by beneficiaries who chose to enroll in Medicare’s FFS program would be substantially higher than under current law because of the increases in beneficiaries’ premiums.”

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4 Congressional Budget Office letter to Representative Paul Ryan, January 27, 2010.
Whichever approach is taken, the result would be the same: higher costs for those who do not pick the cheapest plans, which would almost certainly restrict access to providers.

In other words, premium support is designed to reduce federal Medicare spending by shifting costs to seniors and people with disabilities – especially those who want to be able to choose their own doctors, hospitals and other health care providers. The Republican Study Committee admits that its budget, which includes premium support, “would slowly phase in an increase to the standard premium, so that over time beneficiaries would pay for more of the coverage they receive.”

Average health care out-of-pocket costs in 2013 already represented 41% of average Social Security earned benefits, a percentage projected to rise to 50% by 2030. It is no wonder that groups representing older Americans oppose premium support and other proposals to raise out-of-pocket costs.

**Medicaid Block Grants**

“We are writing to urge you to reject proposals to make radical structural changes to Medicaid – by providing federal funding to the states through block grants or per capita caps. These proposals are designed to reduce federal support to state Medicaid programs, not to better serve Americans who rely on Medicaid to access health and long-term care. Medicaid block grants or per capita caps would impose rigid limits on the amount of federal money available to states for Medicaid, endangering the health and well-being of older adults, people with disabilities, and their families.” - March 3, 2017 letter to Congress from more than 100 senior, disability and consumer organizations.

Nearly 68 million Americans receive services from Medicaid, a cost-effective source of health and long-term care services. A federal-state partnership, Medicaid is essential not just for individuals – especially at times of economic downturn – but for local economies and the health care infrastructure.

Among those who rely on Medicaid are nearly 5 million older Americans and their families. Medicaid is the primary source of funding for long-term services and supports, paying for roughly 60% of all expenditures and nearly 2 in 3 nursing home residents. It helps low-income seniors on Medicare pay for their premiums, deductibles and cost-sharing. Seniors also turn to Medicaid to pay for services that Medicare doesn’t cover, such as dental and vision care, transportation to the doctor, and home health care.

Republican budgets have consistently included provisions to cap Medicaid spending, through block grants or per capita caps that are coupled with deep cuts in federal spending. States faced with reduced federal spending would be forced to cut or limit benefits, increase cost-sharing, impose waiting lists, tighten eligibility requirements, lower quality standards or cut provider payments. As the Kaiser Family Foundation has warned, capping federal Medicaid

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spending to reduce federal deficits would “eliminate the entitlement to Medicaid, so coverage would not be guaranteed” and would “shift costs and risk to states, localities, providers and beneficiaries.”

Because home- and community-based long-term services such as personal care and adult day care are optional benefits, older Americans who rely on them to live independently in their communities would be hit hard. Without those services, they would either be forced to rely more on family caregivers or enter a nursing home (with average median costs of $235 a day -- $85,775 a year -- for a semi-private room). While nursing home benefits are currently mandatory, some capped spending proposals would give states additional flexibilities -- including limiting access by imposing eligibility limits. Even without that flexibility, states could seek to cut costs by lessening quality standards or reducing payments that would result in nursing homes cutting staff and jeopardizing resident safety.

Raising the Age of Eligibility for Social Security and Medicare

“Those policymakers proposing raising Social Security's retirement age should recognize what a dramatic change this would be for millions of American workers. Instead of protecting future generations, raising the retirement age will dramatically cut benefits for younger generations of workers, especially those at lower-income levels. The cuts will have their greatest impact on those who can afford them the least - lower income workers with a shorter life expectancy, who are less likely to be able to continue working to age 70. Considering the modest nature of Social Security's existing benefits, cutting them further, no matter how it is accomplished, should not be the first or even the last place Congress looks for budget savings.” - The National Committee to Preserve Social Security and Medicare, “Raising the Social Security Retirement Age: A Cut in Benefits for Future Retirees,” April 2016.

Proponents of raising the age of eligibility for Social Security and Medicare argue that all Americans are living longer and therefore should continue to work and wait to obtain their earned benefits. In fact, not all Americans are enjoying longer life expectancies. In December 2017, the Centers for Disease Control and Prevention (CDC) reported that U.S. life expectancy fell in 2016, the second straight decrease in a row. Researchers have also found tremendous disparities in life expectancy rates based on income, with the highest income men living 15 years longer than those at the lowest incomes. Delays in obtaining benefits will hit those with the least resources and in the worst health the hardest.

It is also true that those who plan to work longer often find themselves without the ability to do so. The Retirement Conference Survey has consistently found that many Americans find themselves retiring earlier than planned. In 2017, 48% retired unexpectedly, including 41% because of health or disability, 26% because their employer downsized or closed, and 14% because of caregiving responsibilities. While many suddenly retired Americans cannot work

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8 “Implications of a Federal Block Grant for Medicaid,” Kaiser Family Foundation, April 2011.
because of health issues, others may face difficulties in finding employment because of lack of skills, physical limitations or age discrimination in employment. The financial consequences of unplanned retirement can be severe, which is why a delay in obtaining earned Social Security or Medicare benefits would be so harmful.11

Raising the age of eligibility for Medicare is particularly burdensome when coupled with Republican proposals to repeal the Affordable Care Act. Instead of seniors being able to rely on Medicare’s guarantee, the Republican plan would put people age 65 to 67 (up to age 70 in some Republican proposals) into the private health insurance market where they could face higher premiums and higher out-of-pocket spending. Moreover, Republicans are also committed to repealing the Affordable Care Act, which put in place important protections for individuals age 50 and above: including limits on age rating (the “age tax”), prohibitions on pre-existing condition exclusions, and bans on premium rating based on health status.

Repealing the Affordable Care Act

“Specifically, the American Health Care Act will weaken the fiscal sustainability of Medicare; dramatically increase premium and out-of-pocket costs for 50-64 year olds purchasing coverage on the individual insurance market; allow insurance companies to once again discriminate against those with pre-existing conditions; substantially increase the number of Americans without insurance; and put at risk millions of children and adults with disabilities and poor seniors who depend on the Medicaid program to access long-term services and supports and other benefits.” - May 3, 2017 letter to Congress from Nancy A. LeaMond, Executive Vice President, AARP

Republican budgets have consistently called for the repeal of the Affordable Care Act (ACA) since its passage in 2010. On May 4, 2017, the House passed H.R. 1628, the American Health Care Act, to repeal the ACA, by a vote of 217-213. This repeal legislation did not pass in the Senate.

Repeal of the ACA would have a number of negative consequences for Americans age 50 and older. Since passage of the ACA, the uninsured rate of Americans aged 45 to 64 has dropped from 15.6% to 9.4% according to the latest U.S. Census Bureau figures.12 Those gains would be reversed under Republican budget proposals that would raise premiums to older adults, make them vulnerable to pre-existing condition denials, and eliminate premium and cost-sharing assistance. Repeal would:

- Allow insurers to impose an “age tax” that would make health insurance unaffordable for many older adults and their families. The ACA prohibits insurers from charging older adults more than 3 times the premiums charged to younger adults, recognizing that many were priced out of coverage because of extremely high age-based premiums. The ACA’s limits on these age-related premiums are one reason for the drop in the uninsured

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rate among older adults, but the Republican plan would allow insurers to charge premiums that are 5 times as high. AARP estimates that this one change would increase premiums for older adults by an average of more than $4,000 a year. The AARP analysis looks at the impacts based on states and income levels and concludes that “all older adults would face significantly higher costs for individual coverage.”\(^\text{13}\) The age tax grows the older one gets – it is estimated that a 64-year-old could face an increase of up to $8,400 a year.\(^\text{14}\) At the same time that the Republican plan would increase premiums, it would reduce assistance to help pay for higher premium costs – a double-whammy that would, according to the AARP estimates, raise premium and out-of-pocket costs to a 60-year old earning $45,000 by $11,774.

- Eliminate key protections for individuals with pre-existing conditions. The ACA prohibits insurers from charging those with pre-existing conditions higher premiums or denying them coverage for treatment related to those conditions. Under Republican plans, states would be allowed to waive those protections. More than one-third of adults between 40 and 59 and 47% of those between 60 and 64 have pre-existing conditions.\(^\text{15}\)

- Raise prescription drug costs by reopening the Medicare Part D “doughnut” hole. More than 80% of those over age 65 have multiple chronic conditions,\(^\text{16}\) yet many remain unable to pay for the medications they need to treat those conditions. One reason is the Medicare Part D drug gap in coverage, known as the “doughnut” hole. Under the Republican Medicare Modernization Act (which created Part D), seniors who reached a spending threshold fell into the “doughnut hole” and were required to pay 100% of the cost of their prescription drugs until they reached a catastrophic spending level. The ACA is moving to close that gap, which is designed to disappear by 2019. Repeal of the ACA would reopen the gap and, once again, leave seniors to pay 100% of drug costs while they are in the “doughnut hole.” According to AARP, more than 1 in 4 Part D enrollees reached the “doughnut hole” in 2014.\(^\text{17}\)

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15 “How ACA Repeal and Replace Proposals Could Affect Coverage and Premiums for Older Adults and Have Spillover Effects for Medicare,” Kaiser Family Foundation, June 2017.
16 “Multiple Chronic Conditions in the United States, RAND Corporation, 2017.
REPUBLICAN BUDGET PROPOSALS:
UNDERMINING THE WELL-BEING OF OLDER AMERICANS

The Ryan Roadmap

On January 27, 2010, then-Ranking Member of the House Budget Committee Representative Paul Ryan introduced H.R. 4529, “A Roadmap for America’s Future.” Since then, the ideas from the Ryan Roadmap have consistently re-emerged in Republican budget resolutions.

The Roadmap included the following:

- A premium support plan to replace Medicare’s guaranteed benefits for everyone currently under 55, beginning in 2021
- An increase in the Medicare eligibility age from 65 to 69.5 years of age
- An increase in the Social Security retirement age to 70
- Cuts to Social Security benefits and the option to divert Social Security payroll tax contributions into private accounts
- Turning Medicaid into a block grant, with significantly lower funding

At the same time, the Ryan Roadmap would have lowered the top individual tax rate from 35% to 25%, entirely exempted dividends/capital gains and interest from taxation, and repealed the federal estate tax. The plan would have cut in half the taxes of the richest 1 percent of Americans and provide an average annual tax cut of $502,000 for those with more than $1 million in income.18

To pay for those tax cuts, the Roadmap included a number of provisions to reduce federal spending on health care and Social Security, shift risk and increase out-of-pocket costs to seniors, people with disabilities, children and families. Its premium support provision – a radical restructuring of Medicare – received a great deal of attention and a lot of criticism. According to the Congressional Budget Office:

“Beneficiaries would therefore face higher premiums in the private market for a package of benefits similar to that currently provided by Medicare. Moreover, the value of the voucher would grow significantly more slowly than CBO expects that Medicare spending per enrollee would grow under current law. Beneficiaries would therefore be likely to purchase less comprehensive health plans or plans more heavily managed than traditional Medicare, resulting in some combination of less use of health care services and less use of technologically advanced treatments than under current law. Beneficiaries would also bear the financial risk for the cost of buying insurance policies or the cost of

obtaining health care services beyond what would be covered by their insurance."19

The Roadmap’s provisions have appeared in Republican budgets ever since its rollout in 2010:

**FY2012 Republican Budget:**


- Would block grant Medicaid and reduce funding by $750 billion over 10 years
- Beginning in 2022, would replace Medicare with a premium support system for new beneficiaries – providing a premium support payment to purchase coverage.
- Would repeal the ACA, allow a higher age tax and reopen the Medicare Part D prescription drug doughnut hole
- Moves to force action by the President and Congress to address Social Security solvency – addressing demographics and addressing “a massive shift of earnings away from younger families trying to build their futures, towards Social Security recipients.”

**FY2013 Republican Budget:**


- Would convert Medicaid into a block grant and cut it by $810 billion over 10 years
- Would replace Medicare with a premium support system for new beneficiaries beginning in 2023, providing a premium payment to purchase coverage
- Would increase Medicare Part B and Part D premiums for middle/upper income seniors and people with disabilities
- Would raise the Medicare eligibility age to 67
- Would require the President and Congress to amend Social Security to take into account increases in longevity and demographic changes
- Would repeal the ACA, including Medicaid expansion
- Would require the President to submit Social Security proposals, including proposals to raise the age of eligibility and cut benefits for “higher-income workers”

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20 The Path to Prosperity Restoring America’s Promise Fiscal Year 2012 Budget Resolution, House Budget Committee, April 5, 2011.
21 The Path to Prosperity A Blueprint for American Renewal Fiscal Year 2013 Budget Resolution, House Budget Committee, March 20, 2012
FY2014 Republican Budget


- Would require the President and Congress to submit Social Security plans that would be considered under expedited procedures
- Would block grant Medicaid and cut spending by $810 billion over 10 years
- Would transition Medicare to a premium support plan – starting in 2024, new enrollees would be given a payment to be used to purchase private insurance or traditional Medicare. The value of the payments would be capped at inflation plus 0.5% -- not increases in the cost of health coverage
- Would raise the Medicare eligibility age to 67
- Would increase Part B and Part D premiums for middle/upper income seniors
- Would repeal the ACA and eliminate Medicaid expansion

FY2015 Republican Budget


- Would require the President and Congress to submit Social Security plans that would be considered under expedited procedures
- Would block grant Medicaid and cut spending by $732 billion over 10 years
- Would transition Medicare to a premium support plan – starting in 2024, new enrollees would be given a payment to be used to purchase insurance
- Would raise the Medicare eligibility age to 67
- Would increase Part B and Part D premiums for middle/upper income seniors
- Would repeal the ACA and eliminate Medicaid expansion

FY2016 Republican Budget

H.Con.Res. 27, Rep. Tom Price (Roll Call Vote 142, March 25, 2015, 228-199)24

- Would fully repeal the ACA
- Would turn Medicare into a premium support system beginning in 2024 and cut Medicare spending by $325 billion over 10 years
- Would combine and block grant Medicaid and CHIP and cut Medicaid by $913 billion over 10 years
- Would move for changes in Social Security through a bipartisan commission, trigger a Presidential plan for changes and prevent the transfer of funds from

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22 The Path to Prosperity A Responsible, Balanced Budget Fiscal Year 2014 Budget Resolution, House Budget Committee, March 2013.
23 The Path to Prosperity Fiscal Year 2015 Budget Resolution, House Budget Committee, April 2014.
the Social Security Trust Fund to the SSDI Trust Fund, calling SSDI “another, currently unsustainable program.”

FY2017 Republican Budget


- Would fully repeal the ACA
- Would turn Medicare into a premium support system beginning in 2024 and cut Medicare spending by $449 billion over 10 years
- Would combine and block grant Medicaid and CHIP and cut spending by $1 trillion over 10 years
- Would require the President and Congress to submit a plan for restoring balance to the Social Security Trust Fund, calling Social Security “unsustainable” and “a key driver of our nation’s current and future fiscal challenges.”

FY2017 Republican Study Committee Budget

- Would fully repeal ACA
- Would provide standard deduction for individuals to purchase private insurance
- Would turn Medicaid and CHIP into flexible block grant coupled with work requirements
- Would raise the Social Security eligibility age to 70
- Would raise the Medicare eligibility age to 70
- Would reduce Social Security benefits by $142 billion over 10 years.
- Would reduce benefits for individuals with higher incomes (many similar proposals start “means testing” at $85,000 for an individual)
- Would increase premiums and means testing for Medicare
- Would turn Medicare into a voucher program beginning in 2020
- Would require a $700 deductible in Medigap (Medicare supplemental) policies

FY2018 Republican Budget


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25 “A Balanced Budget for a Stronger America Fiscal Year 2017 Budget Resolution,” passed the House Budget Committee but was never brought to the House floor for a vote.
• Would cut Social Security by $4 billion over 10 years
• Would cut Medicare by $487 billion over 10 years
• Would cut Medicaid and other health programs by $1.5 trillion over 10 years
• Would set per capita caps on Medicaid – with a state block grant option
• Beginning in 2024, would turn Medicare into a voucher/premium support plan
• Would repeal the ACA

FY2019 Republican Budget


• Would cut Social Security by $4 billion over 10 years
• Would cut Medicare by $537 billion over 10 years and increase prescription drug costs for seniors and people with disabilities in Medicare Part D plans by $59 billion
• Would raise the Medicare age of eligibility to 67
• Would cut Medicaid and other health programs by $1.5 trillion over 10 years
• Would set per capita caps on Medicaid – with a state block grant option
• Beginning in 2024, would turn Medicare into a voucher/premium support plan
• Would repeal the ACA

FY2019 Republican Study Committee Budget29

• Would repeal the ACA and replace it with a standard deduction, allowing the sale of private insurance plans (including across state lines) that include pre-existing condition exclusions, increase the age tax, and deny essential benefits like maternity care
• Would combine and block grant Medicaid and CHIP
• Beginning in 2023, would turn Medicare into a premium support plan – requiring “high-wealth” seniors to pay more for their own medical costs. While “high-wealth” is not defined, seniors with $85,000 in income who are today charged higher premiums are referred to as “wealthy”. The amount of the voucher would be based on geography, health status, wealth and income.
• Would require Medigap plans include a $750 deductible and a 10% co-insurance rate up to a $7,500 cap
• Would increase the Part B premium
• Would increase the age of Medicare and Social Security eligibility to 69 (possibly 70)
• Would eliminate the COLA for those with income over $85,000

Republicans Make It Clear: 
They are Resolved to Cut Medicare, Medicaid and Social Security

“Paul Ryan Says He’s Been ‘Dreaming” of Cutting Medicaid Since He Was in College,” 
*Vanity Fair,* March 17, 2017.

“Unlike the average college student, who spends their university years studying to pass the next midterm or, more realistically, planning their next alcohol-drenched bacchanalia, Paul Ryan stayed focused on loftier goals: denying health-care coverage for millions of low-income and elderly Americans. Or so he implied while defending his current effort to roll back Medicaid, via his unpopular plan to repeal and replace Obamacare, while speaking with *National Review* editor Rich Lowry at an event Friday hosted by the conservative magazine. ‘Sending it back to the states, capping its growth rate,” Ryan said wistfully. “We have been dreaming of this since I have been around, since you and I were drinking at a keg.”

**Speaker Ryan at a March 20, 2018 press conference:**

“The House passed the biggest entitlement reform bill Congress has ever seen last year, and regrettably the Senate did not follow suit. So we’re just going to have to keep at it on entitlements.”

**“Transcript: Paul Ryan Announces his Retirement from Congress,” *Politico,* April 11, 2018.**

“Entitlement reform is the one other great thing I've spent most of my career working on. I'm extremely proud of the fact that the House passed the biggest entitlement reform bill ever considered in the House of Representatives. Do I regret the fact that the Senate did not pass this? Yes. But I feel from all the budgets that I've passed, normalizing entitlement reform, pushing the cause of entitlement reform and the House passing entitlement reform, I'm very proud of that fact. But yeah, of course more work needs to be done, and it really is entitlements. That's where the work needs to be done, and I’m going to keep fighting for that.”


“...it is ironic that overspending now on big government welfare programs will eventually be the cause of American citizens finding themselves in need of such assistance. In short, large entitlement programs on budgetary autopilot currently make up two-thirds of the federal budget, and are on an undeniable path to bankruptcy. The RSC Budget addresses this problem head on.”

“That was going to happen – the baby boomers retiring was going to do that. These deficit – trillion-dollar projections have been out there for a long, long time. Why? Because of mandatory spending, which we call entitlements…Because the boomer generation is retiring and we have not prepared these programs.”


“The military is not the reason we’ve got fiscal problems. It is entitlements,” Mr. Ryan said, blaming the growth of Medicare, Medicaid and Social Security for a deficit that’s likely to top $1 trillion a year for the foreseeable future.”

“Top Republicans are already talking about cutting Medicare and Social Security next,” *Vox*, December 20, 2017.

“If someone wants to get serious about debt, come talk with me about entitlements,” Rep. Tom Cole (R-OK) told CNBC. “Tax cuts product growth, entitlement spending doesn’t.”

“The idea is to ‘starve the beast,’ Rep. Mark Sanford (R-SC) says.

The programs are so popular that President Trump promised Medicare and Social Security would be untouched by his administration – a promise that a number of congressional Republicans aren’t so keen on keeping. And while Trump has reportedly been open to softening this promise, there’s been some indication that he too is aware of the political risks of cutting these programs. Reportedly, one GOP lawmaker said Trump told him that he’d be willing to touch Social Security and Medicare “on the first day of his second term,” according to National Review’s Ramesh Ponnuru.


“We’re going to have to get back next year at entitlement reform, which is how you tackle the debt and the deficit,” Ryan said during an appearance on Ross Kaminsky’s talk radio show. “…Frankly, it’s the health care entitlements that are the big drivers of our debt, so we spend more time on the health care entitlements – because that’s really where the problem lies, fiscally speaking.”

“Paul Ryan: 'We are hosed' if we don't tackle entitlements like Medicare,” *CNN Politics*, January 11, 2018.

"I've been a big time entitlement reformer for a long time because if you don't start bending the curve in the out years, we are hosed," Ryan said bluntly Tuesday morning.”
“Paul Ryan says he's still a deficit hawk, 'never going to give up on entitlement reform'”,  

“Social Security is a part of a solvency problem ... but nothing like we do on the healthcare entitlements," he said. "That’s why we can never give up on healthcare reform, because that is the key driver of our debt in the future."

“How GOP Tax Bill Will Blow Up Medicare,” Forbes, December 1, 2017

“‘Right now, America needs constructive congressional action to avoid disrupting the healthcare system and to curb the growth in costs,’ notes John Rother of the National Coalition on Healthcare in a guest commentary in Modern Healthcare.

‘Unfortunately, the Senate’s tax legislation would do the opposite – disrupt existing coverage, drive up premiums and lead to drastic cuts to Medicare and Medicaid.”

“If cuts to Medicare and other social programs follow a tax cut, it would fly in the face of what regular folks said are their top priorities in a new Kaiser Family Foundation poll: Only a small minority of Americans support tax cuts if they involve cuts to Medicare, Social Security, and Medicaid,” adds Blanton.  (Kim Blanton, Center for Retirement Research at Boston College.)

“But there is growing concern among retirement experts and advocates for the elderly that the proposed $1.5 trillion in tax cuts will make future reductions to these critical retiree programs all the more likely in order to rein in growing federal budget deficits.”


“But you also have to bring spending under control. And not discretionary spending. That isn’t the driver of our debt. The driver of our debt is the structure of Social Security and Medicare for future beneficiaries.”  (Sen. Marco Rubio)

Bruce Bartlett tweet: Expect all the guests on the Sunday shows to be Republicans explaining how they have no choice but to slash Social Security & Medicare because the deficit has suddenly and mysteriously gotten worse.”
REPUBLICAN BUDGET RESOLUTIONS:
DANGEROUS TO SENIORS’ HEALTH AND FINANCIAL WELL-BEING

Here is a small sampling of criticisms of Republican budget policies:

“The Republican tax plan could end up hurting seniors,” Business Insider, November 28, 2017

“…it would require Trump to break perhaps his most important campaign promise: the pledge that he wouldn’t cut funding to so-called ‘entitlement programs’ like Social Security and Medicaid. Seniors are the primary beneficiaries of these programs, and they’d be none too pleased if their funding was cut to pay for tax reforms.

However, Americans should keep in mind that Trump’s pledge to leave entitlement programs alone has technically already been broken. Back in May, the president released his outline for the fiscal 2018 federal budget, and in that proposal was a $72 billion cut over the next 10 years to the Social Security Disability program. Even though this failed to make it into the final budget, the mere fact that Trump attempted to pass along a cut to any part of Social Security goes against his pledge to leave these vital programs alone.

Meanwhile, the current GOP tax bill contains a provision allowing the federal government to tether tax provisions to the Chained Consumer Price Index (CPI). Unlike the standard CPI, the Chained CPI takes into account something known as substitute bias. This is the idea that consumers will trade down to cheaper goods or services as others become more expensive.

Switching to the Chained CPI would result in smaller annual inflationary increases. Though it doesn’t specifically mean that the Chained CPI would be used as a measure for Social Security or Medicare, it certainly opens the door for that to happen. And if it did happen, it would mean smaller cost-of-living adjustments for Social Security recipients that’d save the federal government money.”

Alliance for Retired Americans

“In a nearly party-line vote, the Republican-led House of Representatives voted 219-205 on Thursday to approve a 2015 budget plan unveiled last week by Rep. Paul Ryan (R-WI), Chairman of the House Budget Committee. Ryan’s plan would make sharp cuts to Medicare, as well as other domestic programs such as Medicaid and food stamps, while lowering taxes for corporations and high-income individuals. It would also repeal the Affordable Care Act. It offers a vision of Republican budget priorities heading into this year’s mid-term elections. Ryan’s plan would give seniors a coupon to pay for Medicare, cutting benefits and shifting costs to retirees. A voucher would give seniors a fixed amount to purchase a plan, forcing them to cover the difference between the amount of the voucher and the actual cost of the plan. According to the Congressional Budget

Office, premiums for traditional Medicare under Ryan’s proposal would be 50% higher than current projections by 2020. Yearly increases in voucher amounts are also not expected to keep pace with growth in health care costs, forcing seniors to cover an increasing proportion of health care costs over time.”

**National Council on Aging**

“It repeals the Affordable Care Act (ACA). The proposal eliminates ACA provisions that reduce prescription drug costs; keep frail seniors in their homes; improve access to prevention services, including falls; provide a free annual wellness visit; improve chronic care; reduce Medicare fraud; improve nursing home quality; and reduce hospital readmissions. It would, however, maintain Medicare cuts in the ACA.”

It cuts Medicare in four ways. The proposal would increase the Medicare eligibility age, raise the deductible amount for doctor visits, penalize or prohibit people from buying first-dollar private Medigap coverage, and increase monthly premiums for middle-class seniors with incomes over $46,000 per year.

“It significantly cuts and block grants Medicaid. Medicaid covers almost two-thirds of long-term care costs for older Americans. The proposal cuts this safety net by $732 billion delivering a devastating blow to frail, vulnerable seniors who depend on it. Block granting Medicaid means current federal nursing home quality standards and protections for the spouses and children of nursing home residents could be repealed.”

It completely restructures Medicare. The ‘premium support’ proposal could significantly increase Medicare beneficiaries’ out-of-pocket costs because the defined contribution amount would not keep pace over time with the cost of care. Those who remain in the traditional program also could be forced to pay higher premiums.”

**The National Committee to Preserve Social Security and Medicare**

“The conference agreement would be devastating to today’s seniors and future retirees, people with disabilities and children due to the proposed changes it makes to Medicare, Medicaid and the Affordable Care Act. While it proposes huge cuts to our social insurance safety net, (it) would give massive tax cuts to the very wealthy.

"Tax legislation approved by the Congress and signed into law by President Trump on December 22, 2017, will leave Medicare, Medicaid and Social Security vulnerable to benefit cuts because of its dramatic $1.5 trillion increase in the public debt – an increase that will have to be offset in the future."

---

32 Letter to House of Representatives from Max Richtman, President and CEO, NCPSSM, April 30, 2015.
“The House Budget Resolution for FY2019, introduced by House Budget Committee Chairman Steve Womack (R-AR), was approved by the House of Representatives Budget Committee on June 21, 2018. This budget proposes drastic cuts in federal spending for programs of importance to most low- and middle-income Americans while protecting nearly $2 trillion in tax cuts, which mainly benefit the very wealthy and large profitable corporations and dramatically increase our deficits and debt.”

Center for American Progress

“…Ryan was not pleased with CBO’s analysis of his proposal to revise the Medicare program: it would have required people who turn 65 after 2022 to obtain health care through private and often for-profit insurance carriers. Medicare would no longer pay these beneficiaries’ medical bills, but would instead provide them with ‘premium subsidies’ based on a formula devised by Rep. Ryan and his staff.

In a letter dated April 5, 2011, CBO rendered its expert judgment:

Under the proposal, the gradually increasing number of Medicare beneficiaries participating in the new premium support program would bear a much larger share of their health care costs than they would under the traditional program…That greater burden would require them to reduce their use of health care services spend less on other goods and services, or save more in advance of retirement…

CBO determined that under the 2011 Ryan plan, the total cost of providing health care to eligible individuals born after 1957 would be about 11 times higher than under the traditional Medicare program. Most explosively, CBO found that beneficiaries’ share of those rising costs would jump from 35 percent to 61 percent. In other words, out-of-pocket health care expenses would explode, leaving a typical retiree with far less of his or her monthly Social Security check to meet other living expenses. For a senior living on the average monthly benefit the amount left for nonmedical needs would be slashed from about $900 a month to less than $600.”

Medicare Rights Center

“The budget released today by Congressman Ryan repeats on an old and tired theme – ending the Medicare program as we know it. The Ryan budget would replace Medicare’s guaranteed health benefits with a voucher (or premium support) that seniors and people with disabilities would use to purchase health coverage through private health care plans.

The Ryan budget’s privatization scheme would grind away at traditional Medicare, funneling younger and healthier retirees into private health plans and leaving older, sicker...

34 “Should the Ryan Budget Worry Seniors?,” Scott Lilly, CAP, April 10, 2014.
beneficiaries in the traditional Medicare program. Providing coverage for this vulnerable population will make traditional Medicare more expensive and less able to compete. In short, the Ryan budget preserves Medicare as we know it, only to allow it to wither on the vine.

At the same time, the Ryan plan forces seniors and people with disabilities to pay more for less. The Ryan budget would raise the Medicare age of eligibility and force middle class beneficiaries to pay higher premiums. The Ryan budget would repeal key advancements made by the Affordable Care Act to strengthen Medicare benefits, including more affordable prescription medicines and access to low cost preventive health care benefits.”

AARP

“Chairman Ryan’s proposed budget fails to address the high costs of health care and instead shifts costs onto seniors and future retirees… Removing the Medicare guarantee of affordable health coverage for older Americans by implementing a premium support system and asking seniors and future retirees to pay more is not the right direction.”36

“….AARP believes the proposal lacks balance (and) jeopardizes the health and economic security of older Americans…A number of proposals in this budget put at risk millions of individuals by prioritizing budget caps and cuts over the impact on people….On behalf of our millions of members and all older Americans, we reiterate our concerns about the harm this budget could cause beneficiaries of the Medicare, Medicaid and Social Security programs.

“Arbitrary limits or cuts to federal Medicaid spending do not make costs disappear: they simply shift costs to individuals, providers and state governments. Block granting Medicaid would put both current and future seniors in need of those services at risk. For those who are already in nursing homes or receiving home and community-based services (HCBS), Medicaid cut-backs could lead to reduced access and inadequate care. For individuals who do not yet need LTSS, and who one day may exhaust their savings and need care, they could be turned away or offered insufficient care that neither meets their needs nor maintains their dignity.”37

“AARP urges the Budget Committee to reject the large mandatory cuts the Committee is considering that would have a devastating impact on programs important to older Americans…The typical senior, with an annual income of approximately $26,000 and already spending one out of every six dollars on health care, counts on Social Security for the majority of their income, and on Medicare for access to affordable health coverage. We will continue to oppose changes to current law that cut benefits, increase costs, or reduce the ability of these critical programs to deliver on their benefit promises.”38

36 Letter to Congress, AARP, April 1, 2014
Center for American Progress\textsuperscript{39}

“The Republican budget plan proposed by Rep. Paul Ryan (R-WI) wants to eliminate Medicare as we know it and to give hundreds of billions of dollars in tax cuts to U.S. billionaires…”

Center for Medicare Advocacy\textsuperscript{40}

“The Center for Medicare Advocacy frequently hears from people who have benefited from the ACA, Medicare and Medicaid, and who would be greatly harmed if the proposed changes to these programs move forward…”

As the Center has often written, this Administration and Congressional leaders have promised to repeal and ‘replace’ the Affordable Care Act. They also plan to gut the Medicaid program by cutting it by trillions of dollars and restructuring it into block grants or per-capita caps. Further, Speaker Ryan, HHS Secretary Price, and many in Congress want to privatize Medicare by turning it into a voucher program. ‘These are not isolated threats to be analyzed in silos and defended against individually,’ says Center for Medicare Advocacy Executive Director Judith Stein. ‘These proposals comprise a collective threat to health coverage and care for millions of Americans, particularly older people, people with disabilities, and children.’”

Social Security Works\textsuperscript{41}

“It is said that a budget is a reflection of values; it is a moral document. Or, in the case of the budget the Republicans are about to pass, it is an immoral document.

Two weeks ago, House Republicans passed such an immoral budget. It is Robin Hood in reverse: Take from the poor (or, in this case, the 99 percent) and give to the rich. Their plan paves the way for privatizing Medicare, while cutting its budget by almost $500 billion and raising its eligibility age to 67. It also calls for the destruction of Medicaid by block-granting it, while cutting an even more enormous $1.5 trillion.”

Families USA\textsuperscript{42}

“The Republican budget proposal, adopted by the House of Representatives by a near-party line vote on March 29, 2012, undermines health care for millions of seniors and people with disabilities who rely on Medicare and Medicaid. Despite Republicans’ promises to protect current Medicare beneficiaries, the proposal makes substantial cuts in benefits for people with Medicare today. It ends the Medicare program as we know it

\textsuperscript{39} “Divesting in America, Center for American Progress, April 14, 2011.
\textsuperscript{40} “Health Care is Under Assault,” the Center for Medicare Advocacy, May 25, 2017.
\textsuperscript{42} “The Republican Budget Proposal: Ending Medicare as We Know It – Again,” Families USA, April 2012
and replaces it with an inadequate voucher program. And it will also increase the number of uninsured Americans by eliminating Medicare coverage for 65- and 66-year-olds while simultaneously eliminating other sources of coverage by repealing the Affordable Care Act.”
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<th>SOCIAL SECURITY BENEFICIARIES</th>
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**WHAT’S AT STAKE: SENIORS AT RISK**
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<th>Enrollments Increase</th>
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**SOURCE:** CMS, Total Medicare Enrollment, Calendar Year 2016; Center for American Progress, Who Receives Medicaid? A State-by-State Breakdown, July 2017; SSA, Beneficiaries by State and County, 2017.