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Contact: Communications Office (Baucus) 202-224-4515
Bryan Gulley (Nelson) 202-224-1679

BAUCUS, NELSON VOW TO PROTECT SENIORS FROM DRASTIC CUTS PROPOSED BY HOUSE REPUBLICANS

Finance Members: House Budget Proposal Dismantles Medicare and Costs Seniors Coverage

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) and Committee Member Bill Nelson (D-Fla.) introduced a resolution today to protect seniors from a House Republican plan that would end Medicare and make an additional \$2 trillion in budget cuts to health care programs and nursing home services seniors count on. The Baucus Sense of the Senate resolution comes in response to the House budget proposed last week that would dismantle Medicare. According to the independent, non-partisan Congressional Budget Office (CBO), the House budget plan would double out-of-pocket health care costs compared to what seniors would pay under Medicare. Seniors would also lose guaranteed coverage and see it replaced with a voucher-like payment sent directly to private insurance companies.

“The House proposal takes a slash-and-burn approach that leaves seniors paying more for less,” said Baucus. **“Their proposal is the absolute wrong way to tame health care costs. This proposal would end Medicare as we know it and leave seniors paying twice as much for health care in the years ahead than they do today. The House proposal strips protections, cancels benefits and funnels money straight into the pockets of giant insurance companies. There is a right way to reduce costs while maintaining the quality of care, and this proposal certainly isn’t it. We will certainly not abandon seniors when they need us most.”**

“The seniors who are in Medicare today, and those who will be its beneficiaries tomorrow, paid premiums their whole working lives. Medicare is a contract with them, a guarantee. They bought that health-care coverage. For Congress even to consider going back on that contract is unacceptable,” said Nelson.

The House plan would dismantle Medicare as it exists now and convert it into a voucher-like program that shifts seniors into private insurance plans. Under the House plan, private insurance companies would be allowed to discriminate against seniors with pre-existing medical conditions such as high-blood pressure and diabetes. And insurance companies would be allowed to charge retirees more as they grow older and if they develop expensive conditions, including cancer.

The House proposal also makes \$2 trillion in cuts to other health care services, including those that currently help seniors afford nursing home and home health care. Without that assistance, seniors could have to pay 100 percent of those costs out of pocket.

The House Budget Committee passed the proposal last week and will likely be considered by the full House chamber this week.

Baucus's and Nelson's bill would declare the sense of the Senate to be that: Medicare should not be transformed into a voucher or premium-support program; deficit reduction should not be achieved by simply passing on the costs of health care to Medicare beneficiaries; guaranteed Medicare benefits should be preserved; Medical decisions should be made by seniors and their doctors, not insurance companies and deficit reduction should be achieved by lowering health care costs through delivery system reforms.

Baucus was a principle architect of the Affordable Care Act (ACA), the new health care law, which will result in the largest deficit reduction in over a decade. The independent, non-partisan CBO estimated that the cost-saving and efficiency-promoting provisions in the ACA will extend the life of the Medicare program by an additional 12 years to 2029. CBO also estimated the ACA alone would reduce the deficit by \$230 billion over the next ten years and by over a \$1 trillion in the following decade.

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