



For Immediate Release
April 15, 2011

Contact: Communications Office
(202) 224-4515

BAUCUS BLASTS HOUSE VOTE TO ELIMINATE MEDICARE

Finance Chairman Insists Budget Cannot Be Balanced on the Backs of Seniors

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) today blasted the House of Representatives' vote to eliminate Medicare and cut more than \$2 trillion in health care programs and nursing home coverage for seniors. According to the Wall Street Journal, the bill passed by the House would "essentially end Medicare" as it exists today and instead funnel Medicare dollars to private insurance companies to cover only a portion of seniors' coverage, cutting seniors' benefits and increasing their costs. Under the House bill, seniors would no longer enjoy guaranteed benefits or coverage, and insurance companies would have the discretion to increase seniors' costs or drop their coverage.

"The House vote to eliminate Medicare breaks a promise we've made to our seniors that America's best health care coverage will be there when they need it," said Baucus. **"Under the House bill, seniors' costs would go up and their benefits would be cut, so Medicare dollars can instead be funneled to private insurance companies. Independent experts agree the House bill ends Medicare as we know it, and at the same time, it gives billions of dollars in tax cuts to the wealthiest Americans. We absolutely cannot balance the budget on the backs of America's seniors and we won't – not on my watch."**

Today, the promise of Medicare means seniors' will always receive the coverage they need and doctors, hospitals, treatments, surgeries and medicines will always be covered. And to receive these benefits, seniors have low, fixed costs like deductibles and co-pays.

Under the bill the House approved today, Medicare would be dismantled and converted into a "voucher-like" program. Under this plan, seniors would have to wade through significant paperwork and fine print to find a private plan that covered their medical needs. But that plan wouldn't necessarily cover the unforeseen medical conditions seniors could face over the course of the year. If seniors were faced with a condition not covered by their private plan, they would have to pay those costs out-of-pocket.

The House plan approved today would create a National Insurance Exchange, or a Washington-based marketplace where seniors would select a private health insurance plan. Plans would receive seniors vouchers, but those vouchers would not cover the cost of a plan with the same benefits Medicare has today. For coverage equal to the benefits Medicare offers today, seniors would have to pay much of the total cost, often thousands of dollars more, out of pocket.

And, 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. Insurance companies would charge more for seniors as they grow older and if they develop expensive conditions, including cancer.

The House plan approved today also cuts more than \$2 trillion in other critical health care services. These cuts would affect seniors' access to nursing home and home health care services. Without these benefits, many seniors would be left without nursing home coverage.

Baucus said today that he supports efforts to balance the Federal budget, but insists that proposals are responsible and protect seniors. Baucus was a key author of the Affordable Care Act, which created new benefits for seniors in Medicare and made the program more fiscally sustainable, extending the fiscal solvency of the program by an additional twelve years, to 2029.

###