



For Immediate Release
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Floor Statement of Senator Max Baucus (D-Mont.)
Regarding Preserving America's Fiscal Future through Health Care Reform
(as prepared for delivery)

Experts and economists of every political stripe agree, preserving America's long-term economic security means reforming the way we provide and pay for health care. Health care spending makes up one-sixth of the U.S. economy today and future generations can expect the burden of insurmountable debt if we fail to act.

The fiscal challenges we may face in years to come pale in comparison to the threat of uncontrolled federal health care spending.

Doing nothing means health spending continues growing faster than our economy. Doing nothing means entitlement spending more than doubles by 2050 – taking one-fifth of our gross domestic product.

But it's not simply the federal budget on the line. It's the family budget too. In total, we spend 80 times as much as on health care as we did five decades ago. And now, family budgets are breaking under the strain.

The cost of the average family health care plan will reach \$24,000 in 2016. This represents an 84 percent increase over 2008 premium levels.

That means if we do nothing, in fewer than ten years, most families would have to dedicate half of their household budget to health insurance.

For years, we have heard the warnings from federal budget experts. And every day, we hear from folks back home that simply cannot afford the care they need.

Now, we have the opportunity to act.

The country's leading economists and federal budget experts laid out strategies and options for getting costs under control. And we took their recommendations to heart. Now, we have a bill that passes the test of fiscal responsibility.

We have many reasons to vote for this bill. It protects, and even increases, Medicare benefits for seniors. It achieves near universal coverage in less than ten years. It slows the growth in federal health care spending. It stops insurance industry discrimination.

— more —

And based on independent, non-partisan analysis, it makes a serious dent in our federal deficit.

Two weeks ago, the Congressional Budget Office and Joint Committee on Taxation confirmed – in no uncertain terms – those deficits go down under this plan. The official cost estimate reads as follows:

“CBO and JCT estimate that, on balance, the direct spending and revenue effects of enacting the Patient Protection and Affordable Care Act would yield a net reduction in federal deficits of \$130 billion over the 2010 – 2019 period.”

In addition to reducing the federal deficit, CBO also confirms this bill is fully paid for. It does not add one dime to the federal deficit. In fact, it reduces our deficit by \$130 billion over the next ten years. It also stands the test of time. In the second decade, the deficit decreases by another \$650 billion. This is serious deficit reduction. In today’s dollars, that would be that would be more than we spend on the entire Medicaid program this year.

According to CBO, this bill also slows the growth in Medicare costs, which has been a principal goal in this health debate from day one. Medicare spending would grow six percent annually instead of eight percent annually. In other words, Medicare would continue to grow. But unlike today, it would grow at a sustainable rate.

Of course, no projections – even from the Congressional Budget Office – can be certain. But we can safely say this bill put us on the right track. We can safely say this bill is better than doing nothing.

No honest assessment challenges the case for acting now to slow the growth in federal spending. And no honest assessment of this bill challenges the CBO analysis. We have many reasons to pass health care reform, not least of which is the long-term financial health of our economy and our nation.

But our reasons for passing this bill are much more than simply facts and figures. This is about Americans from every corner of this great country struggling to make ends meet, forced into bankruptcy by medical tragedy. This is about stopping insurance industry discrimination. This is about saving Medicare for our seniors and reducing the deficit for our grandchildren.

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