



NATIONAL MEDICARE ADVOCATES ALLIANCE CALL

Monday, October 17, 2011

“Medicare and the Debt/Deficit Debate: The Latest on the Supercommittee, the President’s Recommendations and More”

HANDOUT

I. Joint Select Committee on Deficit Reduction (“Supercommittee”)

The Budget Control Act of 2011 created this committee and tasked it with seeking at least \$1.2 trillion in federal savings over 10 years. If this committee fails to come to an agreement by November 23, 2011, or if Congress fails to approve the Committee's recommendations by December 23, 2011, a "trigger" is activated leading to a process called sequestration. The trigger would result in across-the-board, automatic cuts to federal spending, effective 2013. Within this sequestration process, certain programs have been protected from such cuts, including Social Security and Medicaid. Cuts to Medicare would be limited to provider payment cuts of no more than 2%.

- Supercommittee website: <http://www.deficitreduction.gov/public/>
- See CMA’s Weekly Alert, August 4, 2011, for summary of the Budget Control Act of 2011 and the Supercommittee process:
<http://www.medicareadvocacy.org/2011/08/what-does-the-debt-ceiling-agreement-mean-for-medicare/>

II. Recommendations Made to Supercommittee

Many voices are weighing in to the Supercommittee process with recommendations on how to achieve savings of federal dollars, including through spending cuts and revenue raising. The following is a selection of some of these recommendations:

President’s Plan for Economic Growth and Deficit Reduction

The President's Plan seeks to pay for the President's jobs bill and produce net savings of more than \$3 trillion over the next decade. The proposal includes \$320 billion in savings from changes to federal spending on Medicare and Medicaid (including \$248 billion in Medicare savings).

- Full text of the President's proposal (health materials start on p. 35): <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/jointcommitteereport.pdf>.
- See CMA's Weekly Alert, September 29, 2011, for a summary of the potential impact to Medicare: <http://www.medicareadvocacy.org/2011/09/the-presidents-plan-for-economic-growth-and-deficit-reduction-a-first-look-at-the-impact-on-medicare/>

Selected Congressional Letters

Congressional committees had a deadline of 10/14/11 to submit recommendations to the Supercommittee. Several committees made recommendations publicly, others made private ones directly to Supercommittee members. Here is a selection of some of the public recommendations:

- House Energy & Commerce Committee, Ranking Member Henry Waxman: <http://www.democraticleader.gov/pdf/EnergyCommerce101311.pdf>
- House Ways & Means Committee, Ranking Member Sander Levin: <http://www.democraticleader.gov/pdf/WaysMeans101311.pdf>
- House Democratic Caucus, Seniors Task Force: <http://www.dems.gov/press/seniors-task-force-co-chairs-call-on-super-committee-to-protect-medicare-medicaid-and-social-s>

Center for Medicare Advocacy

Along with numerous other advocacy organizations, CMA has made recommendations on how to achieve savings in Medicare without shifting costs onto beneficiaries. Here are some of our recommendations and principles as presented in recent Weekly Alerts:

- "“Skin in the Game,” Health Equity and Deficit Reduction” (October 13, 2011): <http://www.medicareadvocacy.org/2011/10/skin-in-the-game-health-equity-and-deficit-reduction/>
- "Debunking Medicare Myths: Drug Rebates for Dual Eligibles" (July 21, 2011): <http://www.medicareadvocacy.org/2011/07/debunking-medicare-myths-drug-rebates-for-dual-eligibles/>.
- "Real Solutions to Save Medicare Dollars in Skilled Nursing Facilities" (June 30, 2011): <http://www.medicareadvocacy.org/2011/06/real-solutions-to-save-medicare-dollars-in-skilled-nursing-facilities/>
- "Real Solutions For Medicare Solvency" (June 9, 2011): <http://www.medicareadvocacy.org/hidden/so-what-would-you-do-real-solutions-for-medicare-solvency-and-reducing-the-deficit/>