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Medicare: A Critical Element of Health Care Reform
Opening Remarks by Barbara Kennelly
May 20, 2009

Thank you for joining us here this morning.

For those of you who don't know us, I'm Barbara Kennelly, President and CEO of the National Committee to Preserve Social Security and Medicare. The National Committee is a national grassroots organization of over 3 million members and supporters from all walks of life. What we share is a passion for preserving Social Security and Medicare.

We're sponsoring this conversation today because we wish to deliver a message to Congress as you begin the debate on reforming health care. That message is quite simple: **don't forget seniors** as you begin the challenge of reforming our nation's health care system.

Because seniors already have universal health care in the form of the Medicare program, they are often overlooked in the reform debate. But seniors have a major stake in seeing health care reform done right – and Congress will need the support of seniors if meaningful health care is to be achieved.

For seniors, it is critical that any health care reform slow the growth of the cost of health care. As you may have heard, there's been a lot of talk about the long-term cost of both Social Security and Medicare and whether they will be affordable for future generations. Critics of the programs have attempted to place blame for their long-term funding problems on the large number of baby boomers reaching retirement age. In fact, according to the Congressional Budget Office, the vast majority of Medicare's funding problem is not that we will have more seniors in the future, it is that the cost of providing health care for them is growing much faster than GDP.

If Congress and the Administration are successful at slowing the rate of growth of health care so that it is no longer growing faster than GDP, Medicare's long-range financial deficit could be cut by well over one-half.

So, seniors have a very important reason to support health care reform that is successful at slowing the growth of Medicare's costs. But they also have an even stronger reason to make sure Medicare is improved in the process.

Medicare beneficiaries already spend a significant portion of their income on health care out-of-pocket costs. They are on relatively fixed incomes and have little ability to absorb increases in health care spending. While Medicare has been a godsend to older Americans, who have been largely shunned by the private insurance market, no one would argue it is perfect. Health care reform will inevitably include massive reductions in Medicare spending – which will be seen as 'savings' to some and 'cuts' to others. It is absolutely essential that the legislation invest some of those savings back into the Medicare program, so it can keep pace with the improvements Congress will be making in the overall health care system.

Our panelists today will be outlining the improvements we believe are some of the most critical for the Medicare program. We hope you will explore them further, and that you will encourage your Members to include them as priorities as the health care debate moves forward.

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