



**MEMORANDUM**

To: Reporters and Editors  
From: Carol Guthrie for Finance Chairman Max Baucus (D-Mont.)  
Re: Baucus comment on report regarding rising health care costs.

Finance Chairman Baucus commented late today on new information from the Centers for Medicare and Medicaid Services regarding rising health care costs. The Finance Committee has jurisdiction over the Medicare and Medicaid programs. From Senator Baucus:

**“Attention to rising health care costs has to be at the center not only of our Medicare considerations, but at the center of any consideration of comprehensive health care reform. Rising health care costs are the biggest threat to the future of Medicare and Medicaid, and indeed a great threat to our nation’s economic stability as well. But while Congress looks at ways to curb rising costs for the long-term, we need to acknowledge the toll high costs are taking on health consumers now, and consider helpful measures like expansion of eligibility for Medicare’s low-income subsidy. This can benefit seniors strapped for cash as health care costs rise, but there’s also clear evidence that patients with comprehensive, affordable health coverage are more likely to adhere to treatment regimens and thus need fewer hospitalizations and emergency room visits, and will be less likely to develop chronic and acute illnesses - all of which will help to reduce health care costs. So a two-pronged consideration of rising health care costs, both for the short and the long term, is needed.”**