

*United States Senate*  
*Committee on Finance*



*Sen. Chuck Grassley • Iowa*  
*Ranking Member*

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MEMORANDUM

TO: Reporters and Editors  
RE: Medicare Trustees' Report  
DA: Tuesday, May 12, 2009

Senator Chuck Grassley issued the comment below about the 2009 Medicare Trustees' Report regarding the solvency of the Medicare program. Senator Grassley is Ranking Member of the Committee on Finance.

“The message of the trustees' report is loud and clear. We need to act now to address Medicare's fiscal sustainability. Kicking the can down the road isn't an option anymore because we're at the end of the road. Necessary policy reforms to add efficiency and improve Medicare's fiscal health without cutting benefits will take time to implement. If Congress waits, the savings from those changes won't materialize until after the program becomes insolvent. At that point, the only options would be cutting provider payments, reducing benefits, or raising payroll taxes.

“At the same time, instead of getting existing public programs in order right now, some are saying we should create a new government-run health insurance plan. When we can't afford the public health plan we have already, does it make sense to add more? What's more, a government-run plan would push every other option out of existence and people wouldn't be able to keep the health care option they have today, if they want to, as the President has promised. Instead, we need to establish an individual and small group insurance market that works for consumers. We need to prohibit insurers from denying coverage to people with pre-existing medical conditions or charging higher premiums to people who are sick. If we create a government-run program that's unaffordable and unsustainable, it won't do anyone any good.”