



MEMORANDUM

To: Reporters and Editors

From: Scott Mulhauser and Erin Shields for Finance Committee Chairman Max Baucus (D-Mont.)

Re: Baucus statement Regarding CBO's Long-Term Budget Outlook

Senate Finance Committee Chairman Max Baucus (D-Mont.) made the following statement today after Congressional Budget Office (CBO) Director Doug Elmendorf released the agency's long-term budget outlook report ahead of a meeting of the National Commission on Fiscal Responsibility and Reform, of which Baucus is a member. From Chairman Baucus:

"Today's CBO report underscores what Congress' non-partisan scorekeepers have said all along – the health reform bill that was signed into law this year will reduce the deficit by \$143 billion over the next ten years and further reduce the deficit by more than \$1 trillion in the following decade. This report also gives us important confirmation that repealing health reform would increase the deficit significantly. Today, more than three months after health reform was enacted into law, the American people have seen the benefits of health reform and they like what they see, which is why this landmark bill will remain the law of the land and continue to improve Americans' lives and our nation's fiscal future.

"Health care reform unquestionably addresses the challenges our health care system and our budget face today and in the coming years. The health care law includes many innovative, new initiatives that will have an important positive effect in curbing health care spending. However, because these new policies lack a long history as part of our health care system or our budget, CBO cannot say how they will affect our fiscal future, and that is a critical limitation to keep in mind as we examine these scenarios. In fact, in practice in medical facilities across the country, like the Billings Clinic and Geisinger, these innovations have already demonstrated savings that are not accounted for by CBO at present. The improvements in the Affordable Care Act, like groundbreaking Medicare payment reform and a Medicare Innovation Center, were designed together with a coalition of stakeholders for the specific purpose of being effective and sustainable, and I'm confident they will be."

The CBO report is available on the agency's website, www.cbo.gov.

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