



REPUBLICAN CAUCUS

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RYAN CALLS FOR ADULT CONVERSATION & PRINCIPLED LEADERSHIP; WASHINGTON PARTISANS CONTINUE IRRESPONSIBLE ATTACKS

WASHINGTON – Earlier today, in a partisan speech at the National Press Club in Washington, Congressman Chris Van Hollen of Maryland echoed tired attacks against Congressman Paul Ryan’s proposal to save Social Security and Medicare. In response to these latest irresponsible scare tactics, Ryan issued the following statement:

“I invite my colleagues to join the effort to solve our most urgent fiscal and economic challenges facing our nation. I’ve introduced a plan that protects and preserves our health and retirement security programs for those in and near retirement, with reforms to save and strengthen these critical programs for future generations. We desperately need an adult conversation to fulfill the mission of health and retirement security for all Americans and lift the crushing burden of debt.

“Unfortunately – but not surprisingly – these sincere efforts are too often met with baseless partisan attacks from those in Washington committed to exacerbating our looming debt crisis. Congress produced no budget this year – an unprecedented failure, and Washington’s explosive growth of government spending failed to create the jobs promised, while trillion dollar deficits and the national debt spiral out of control.

“While my plan makes no changes for those 55 and over, those clinging to the unsustainable status quo remain intent on cutting benefits across the board by 22% for Americans when the Social Security Trust Funds are exhausted. When Americans between 55 and 62 years old today are in their 80s, the do-nothing plan would impose indiscriminate cuts in benefits for seniors of all income levels. We cannot afford the demagoguery against efforts to avert such painful austerity. We cannot afford Washington’s draconian do-nothing plan.

“As partisans ramp up their baseless attacks, I remain undeterred in advancing solutions and inviting those that disagree with my ideas to offer their own.”

Note: Earlier this week, *Time Magazine*’s Mark Halperin exposed President Obama’s irresponsible leadership in advancing Social Security scare tactics: **“In a move as predictable as Lucy pulling the football away from Charlie Brown, Democrats are using Social Security scare tactics to gain ground before the November election. President Barack Obama is not only tolerating this classic old politics maneuver by his party — he is leading the charge.”** (“Obama on Social Security: Ending Bipartisanship Hopes” – Mark Halperin, *Time Magazine* – August 23, 2010 – <http://www.time.com/time/politics/article/0,8599,2012449,00.html>)

(MORE ON SETTING THE RECORD STRAIGHT CONTINUED ON THE NEXT PAGE)

SETTING THE RECORD STRAIGHT ON SOCIAL SECURITY, MEDICARE AND PAUL RYAN'S ROADMAP

Ryan's plan makes no changes to those 55 and older and gives future seniors the same health and retirement security programs enjoyed by Members of Congress. Ryan's Roadmap includes common sense reforms that had previously enjoyed bipartisan support – including slowing the growth of government benefits for the wealthiest Americans while targeting assistance to those that need it most.

For more: <http://www.americanroadmap.org/>

Social Security

What is Mr. VanHollen's plan to avert the painful cuts in Social Security scheduled to occur in the do-nothing plan? As too many in Washington proudly cling to the status quo, Social Security's trustees have detailed what this future looks like if we wait until the Social Security Trust Funds are exhausted: "Under this scenario, scheduled benefits would be reduced 22 percent at the point of trust fund exhaustion..." In today's terms, the average annual benefit for retired workers is roughly \$13,835; thus an across-the-board 22% benefit cut would equate to over \$3000 per retiree today. (Source: Social Security Trustees' Report - http://www.ssa.gov/OACT/TR/2010/II_conclu.html#86802)

Indiscriminate cuts in benefits for seniors of all income levels: this is the plan for those who prefer to attack – rather than advance – solutions. Senate Budget Chairman Kent Conrad put it well when he argued: "If [critics of entitlement reform are] saying the answer is 'do nothing', they're the ones that threaten Social Security and Medicare." (Source: NPR - <http://www.npr.org/templates/story/story.php?storyId=122516561>).

There are fewer options more draconian than the 'do-nothing' plan, and the situation grows more ominous each year we kick the can down the road.

Ryan's plan to save Social Security:

- No change for those 55 and older.
- Provides future retirees with the option to either stay in the traditional government-run system or to enter a system of guaranteed personal accounts. Neither option is privatized. In the personal-accounts system, the accounts are owned by the individual, and managed and overseen by Social Security — not a stockbroker or private investment firm. People choosing the reformed system select from a handful of low-risk, government-regulated options — just as Members of Congress and Federal employees do.
- A modest raise in the currently scheduled increase in the eligibility age by an additional three years over the course of the next century; gradually slowing the growth of benefits for wealthier beneficiaries while strengthening support for low-income seniors. House Democratic Leader Steny Hoyer has [spoken](#) in favor of similar reforms.
- Makes the program permanently solvent – according to the Congressional Budget Office and the Social Security Administration

Medicare

Van Hollen echoed factually debunked attacks against efforts to save Medicare. The DNC, DCCC, and their partisan allies continue to make the false claim that Ryan's plan to save Medicare would "abolish Medicare." DNC attack ads making this claim were actually forced off the air last year - <http://www.jsonline.com/blogs/news/59271312.html>. This falsehood has been rebutted time and again (<http://www.factcheck.org/2009/09/senior-scare-yet-again/>), yet in Washington, it seems that political gain always trumps integrity, honesty, and leadership.

As Ryan recently wrote in the *Washington Post*:

"Put simply, Medicare is on course to collapse. Medicare and interest on the national debt alone will soon overwhelm the federal budget, crowding out all other national priorities. [The CBO estimates that Medicare will consume 12 percent of gross domestic product by 2080](#) (up from 3.6 percent of GDP today), bringing total health entitlement spending to 17 percent of GDP. Exacerbating our unsustainable trajectory, health spending explodes under the Democrats' health plan -- raiding Medicare, expanding Medicaid and creating two entitlements without any clue of how to finance the ones we have now. The economy simply cannot handle such crushing levels of taxation and the borrowing required to finance this spending; the [CBO warned last month of a devastating debt crisis within two decades](#).

"If we act now, we can avoid disruptions for current seniors while advancing patient-centered reforms so Medicare will be strengthened for future beneficiaries. The alternative is the European-style death spiral of the welfare state: kick the can down the road as our debt explodes. Under an ever-expansive, all-consuming central government, costs will be contained with Washington's heavy hand imposing price controls, slashing benefits and arbitrarily rationing seniors' care."

(Source: *Washington Post* – <http://www.washingtonpost.com/wp-dyn/content/article/2010/08/12/AR2010081204918.html>)

Ryan's plan to save Medicare:

- Protects and preserves Medicare for those enrolled now and for those who will become eligible in the next 10 years
- Future seniors would have access to the same health coverage enjoyed by Members of Congress.
- Far from the claims of "radicalism," this proposal is based on a key reform from the National Bipartisan Commission on the Future of Medicare, chaired by then-Sen. John Breaux (D-La.). That commission in 1999 recommended "modeling a system on the one Members of Congress use to obtain health care coverage for themselves and their families." (<http://thomas.loc.gov/medicare/bbmtt31599.html>)
- Future Medicare beneficiaries would receive a payment to apply to a list of Medicare-certified coverage options. The Medicare payment would grow every year, with additional support for those who have low incomes and higher health costs, and less government support for high-income beneficiaries