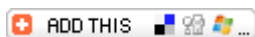


Health expert: Medicare spending must be tamed

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An author and expert on health policy says the real problem with Medicare is not that the program is going to go bankrupt, but that Medicare is going to bankrupt the U.S.

According to a recent report from Social Security and Medicare trustees, Medicare's insurance trust fund is expected to be insolvent by 2024 -- five years earlier than previously estimated.

In an interview this week on [American Family Radio's](#) *Nothing But Truth* program, Michael Cannon, director of health policy studies at the [Cato Institute](#), called that claim "nonsense."

"It's based on the idea that there's actually money in the Medicare trust fund and that that money will run out; but it's not. There isn't any money in the Medicare trust fund," he explains. "It's all IOUs that the government writes to itself, which are economically worthless."

Cannon, who was cited by *The Washington Post* as "an influential healthcare wonk," notes that in reality, Medicare is bankrupting the country -- not the other way around.



"Medicare spending is growing. It keeps requiring more and more taxes, higher taxes," the health policy expert points out. "Medicare has spawned one tax increase at least every four years of its 46-year existence, and it's going to require even more tax increases unless we finally tame Medicare spending."

He suggests the Paul Ryan plan approved by the House is a good way to control Medicare spending, as it would involve the government putting a set dollar payment toward a healthcare premium, leaving a beneficiary in charge of covering the balance. Meanwhile, more assistance would be available to low-income individuals and those with greater health risk, and patients currently on Medicare would not be affected.