



Medicare promises fall short of reality

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According to a recent Medicare trustee report, Medicare faces an unfunded liability of \$38.6 trillion. That is no surprise to two experts.

Michael Cannon, director of health policy studies at the [Cato Institute](#), explained his lack of shock on Crane Durham's "Nothing But Truth" program on [American Family Radio](#).

"The Medicare trustees have been reporting that the promises that Congress has made to current Medicare enrollees and future Medicare enrollees far outstrip the dedicated tax revenue for the Medicare program," Cannon reports. "This is a cycle that's been going on since the creation of Medicare in 1965."

Jim Martin, chairman of the [60 Plus Association](#), worked on Capitol Hill when Medicare passed.

"Back then, the government under Lyndon Bird Johnson said this thing will only cost somewhere in the neighborhood of \$7 billion to \$9 billion," Martin accounts. "Ten years later, it was ten times that. Of course, they were projecting savings all along the way."

The Centers for Medicare and Medicaid Services [reported](#) earlier this week this week that the new healthcare law will save Medicare beneficiaries \$208 billion through 2020 and save Medicare itself \$200 billion through 2016.