

# Medicare scares are a bipartisan pastime

**Both sides have wasted time while a crisis looms.**

By Michael D. Tanner

If Republicans are feeling abused by Democrats' accusations that they want to cut Medicare, there is some poetic justice in it. After all, Republicans spent most of last year complaining that President Obama's health-care plan would "cut Medicare by \$500 billion."

The Republican charge was technically correct: Obamacare cuts Medicare spending by \$459 billion (to be precise) over the next 10 years. And Republicans could have made a good case that the savings were being used irresponsibly - not to pay down the exploding national debt or even to preserve Medicare, but to help finance Obama's new trillion-dollar health-care entitlement.

Instead, Republicans expressed shock and dismay that anyone would even conceive of cutting Medicare. Obamacare "declares war on seniors," one Republican press release warned breathlessly.

So it's difficult to dredge up much sympathy for the GOP now that Democrats have turned the tables, warning that Rep. Paul Ryan's proposed reforms would "cut Medicare."

Once again, there is a kernel of truth in the charge. Although Ryan's plan, unlike Obama's, would not reduce benefits for current Medicare enrollees, it would slow the growth of future Medicare spending and ultimately require today's younger workers to pay more out of pocket if they want the same benefits as today's recipients.

Yet the Democratic charges are every bit as misguided as the Republican charges that preceded them. Even if one accepts the most optimistic analysis of Medicare reforms under Obamacare, assuming all its cuts and efficiency measures will actually occur and reduce health-care costs - which even Medicare's own chief actuary doubts - Medicare would still be facing unfunded future liabilities of more than \$28.7 trillion. Yes, that's *trillion* with a T.

And if those Obamacare savings *don't* materialize, Medicare's future debt rises to more than \$89.3 trillion.

We could confiscate the wealth of every millionaire in America and tax every oil company into oblivion without coming close to covering all those promised Medicare benefits. The Republican mantra of economic growth won't save the day, either, nor will rooting out "waste, fraud, and abuse."

Medicare simply cannot continue promising to pay for everything for everyone even though it doesn't have the money to do so. It is going to be cut. And it is going to be cut whether Democrats or Republicans are in control.

So could we please stop arguing about *whether* to cut Medicare? We should be talking about *how* to cut the program and, more important, *who* should cut it.

The plan favored by Democrats envisions a 15-member board of "experts" appointed by the president, who would have broad powers to determine what services should be covered and how much providers should be paid for them. Known as the Independent Payment Advisory Board, these experts would make decisions based on "comparative effectiveness" or "cost-effectiveness," choosing the treatments they believe provide the most bang for the buck. Whatever decisions they reach would be imposed on all Medicare recipients.

Rather than impose government rationing from the top down, the plan favored by Republicans would shift those decisions to individuals. Under Ryan's proposal, seniors who want benefits beyond a basic level would have to spend more of their own money for plans that cover those services. They would have to make those decisions about their own spending on the basis of cost vs. value. This is cost control from the bottom up rather than from the top down.

In the end, this debate, like many political issues, boils down to one simple question: Who decides? If you believe that most seniors can't be trusted to make decisions about their own health care - that they need to rely on government experts to make those decisions for them - then the Democratic plan is the way to go. If, on the other hand, you believe that seniors are perfectly capable of being good health-care consumers if given the opportunity, you choose the Republican plan.

While the debate continues, could we have a moratorium on accusations that anybody wants to throw granny off a cliff?

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Michael D. Tanner is a senior fellow at the Cato Institute and the author of "Leviathan on the Right: How Big-Government Conservatism Brought Down the Republican Revolution." He can be reached at [mtanner@cato.org](mailto:mtanner@cato.org).