

PRESS RELEASE

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Through \$1.43 Trillion in Cuts, House Republican Budget Slashes Funding for Seniors' Health and Long-Term Care

Republican Proposal Also Cuts Children's Health Care

Republican Proposal Also Takes Away Tax Breaks that Help Middle-Class Families Pay for Health Insurance

Washington, D.C. – The proposed House Republican budget, introduced today by Budget Committee Chairman Paul Ryan, slashes \$1.43 trillion over the next 10 years from Medicare and Medicaid by cutting critical health care for seniors and people with disabilities, as well as children and their families, according to the consumer health organization Families USA. This radical proposal also will wipe out Medicare's guarantee of benefits and end Medicare as we know it by 2022.

The proposed budget contains dramatic cuts that will have a major, adverse impact on seniors and their families – especially reducing help for seniors needing long-term care in nursing homes or at home. Medicare is primarily intended for people over 65 years of age, and the Medicaid program is the largest single payer of long-term care, including half of all nursing home costs.

"The House Republican budget proposal should be accompanied by a 'Grandma Beware!' sign," said Ron Pollack, Executive Director of Families USA. "The proposal will inevitably result in seniors losing the nursing home and other long-term care they need at a time when they are most frail. In addition to hurting seniors when they are most vulnerable, younger family members will need to give up their jobs so they can take full-time care of their parents and grandparents."

In addition to the effect on seniors, the proposed Medicaid cuts will cause major harm to children needing health care. Approximately 25 million youngsters depend on Medicaid for their lifeline.

Beyond the proposed Medicare and Medicaid cuts, the House Republican budget also substantially increases income taxes for middle-income families. It does so by eliminating tax-credit subsidies, scheduled to go into effect in 2014, designed to help middle-class families pay for health insurance. For example, a family of four with an annual income of about \$45,000 would lose a tax credit of approximately \$10,400, effectively taking away their ability to obtain health coverage.

"While seniors bear the brunt of the proposed Republican health budget cuts, many millions of children will also be harmed. Middle-class families will be denied tax relief and real help that they need for health insurance to protect themselves and their loved ones," said Pollack. "It is ironic and outrageous that these cuts are included in a budget that also extends huge, unneeded tax cuts for the wealthiest people in America."

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Note: Families USA expects to release state-by-state data within the next several days about the impacts of the House Republican Budget proposal.

Families USA is the national organization for health care consumers. It is nonprofit and nonpartisan, and its mission is to secure high-quality, affordable health coverage and care for all Americans.

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