

MEMORANDUM

To: Reporters and Editors
From: Scott Mulhauser and Erin Shields for Senate Finance Committee Chairman Max Baucus (D-Mont.)
Re: Baucus comments on new CMS Medicare report

Senate Finance Committee Chairman Max Baucus (D-Mont.) commented today following the release of a report by the Centers for Medicare and Medicaid Services (CMS) regarding the implementation of the Affordable Care Act's cost saving provisions in the Medicare program. The CMS report shows that the new health care law will save more than \$575 billion over the next 10 years by making the Medicare program more efficient, improving coordination among doctors and reducing waste, fraud and abuse. Baucus was a leader in efforts to strengthen and modernize the Medicare program as he worked to pass health care reform in the Senate.

“Seniors in Montana and across the country know how important Medicare is to them and that’s why we fought so hard to protect and strengthen the Medicare program in health care reform. Medicare means too much to too many to have the program’s critical dollars wasted on fraud or lost to preventable illnesses. Today’s report shows us that the new health care law is beginning to generate significant savings in Medicare as it is implemented by giving doctors the tools to better coordinate with their patients and with each other, by modernizing the program and by fighting waste, fraud and abuse.

“This new report tells us that, as they are implemented, these improvements will save nearly \$8 billion in the next two years alone. And today’s report indicates the health care law will continue benefiting Americans years into the future. As the Affordable Care Act is put in place over the next ten years, it will save nearly \$420 billion dollars, which will help ensure that future generations can count on Medicare the same way that our parents and grandparents do today. In fact, before health care reform, high costs threatened to bankrupt Medicare in 2017, but today the Affordable Care Act ensures that Medicare will be fiscally sound for an additional 12 years, through 2029. And, over time, Medicare will continue to improve. Today’s report indicates that taken together, the Medicare savings that health reform achieves will lower Medicare premiums by nearly \$200 annually by 2018.

“We made strengthening and improving Medicare a huge priority as we wrote the health care law because so many seniors count on the program to stay well. Now, as we implement the Affordable Care Act, these improvements are translating to the real savings we need to lower Medicare costs and keep the program running – and running well – years into the future.”

Today’s report is available on CMS.gov at the following link: <http://www.cms.gov/apps/docs/ACA-Update-Implementing-Medicare-Costs-Savings.pdf>.

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