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AARP Statement on President Obama's Budget Proposal:
Reject Proposals that Simply Shift Health Care Costs onto Seniors

WASHINGTON--AARP Chief Executive Officer A. Barry Rand offered the following statement after President Obama released his Plan for Economic Growth and Deficit Reduction:

“AARP recognizes the economic challenges faced by the nation, including rising costs throughout the health care system that routinely outpace inflation. While AARP supports efforts to reduce health care costs, we oppose proposals that would either shift costs to seniors or simply reduce the hard-earned Medicare benefits that millions of seniors depend upon every day for their health security. It is neither balanced nor fair to ask seniors, whose median annual income is less than \$20,000, to contribute even more for their health care. The typical senior already pays nearly 20 percent of their income on health care.

“AARP urges the President and Congress to first address high system-wide health care costs -- which drive increases in Medicare and Medicaid--by improving the health care delivery system. We must first focus on reducing waste, fraud, and inefficiency--rather than reducing the benefits Americans have earned after decades of working hard and paying into the system.

“As we thoroughly review the President's plan in the coming days, we remain concerned about proposals that would not address high health costs, but would simply shift those costs to other payers, particularly Medicare beneficiaries. We remain opposed to such cost-shifting, whether through higher copayments and deductibles, or through higher premiums, including further income relating the premiums of better-off seniors who already pay more for Medicare.

“If we are serious about lowering health care costs, we cannot simply focus on Medicare and Medicaid for savings. Rather, we must improve the delivery of health care generally, including better coordination of care, better use of health information technology, lowering the cost of prescription drugs, and reducing waste and fraud throughout the entire health care system.

“We are pleased that the President's budget acknowledges the need--both

urgent and long-term--to protect seniors' access to their doctors by addressing the flawed Medicare physician payment system. We urge Congress and the President to work together through the coming budget debate to give seniors the peace of mind they deserve by addressing the SGR for the longest time possible.

“AARP will continue to raise the voices of millions of Americans who rely on Medicare and Social Security benefits and wants Washington to stop talking about cutting seniors' hard-earned benefits as part of a budget deal and focus on strengthening them for seniors and future generations.”

AARP is a nonprofit, nonpartisan organization with a membership that helps people 50+ have independence, choice and control in ways that are beneficial and affordable to them and society as a whole. AARP does not endorse candidates for public office or make contributions to either political campaigns or candidates. We produce AARP The Magazine, the definitive voice for 50+ Americans and the world's largest-circulation magazine with over 35.1 million readers; AARP Bulletin, the go-to news source for AARP's millions of members and Americans 50+; AARP VIVA, the only bilingual U.S. publication dedicated exclusively to the 50+ Hispanic community; and our website, AARP.org. AARP Foundation is an affiliated charity that provides security, protection, and empowerment to older persons in need with support from thousands of volunteers, donors, and sponsors. We have staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.