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## **Ways and Means Democratic Recommendations to Supercommittee: Balance, Revenue, Job Growth**

WASHINGTON – Ways and Means Committee Democrats, in providing recommendations today to the Joint Select Committee, urged the 12-member panel to pursue a balanced approach to deficit reduction that includes significant revenues while also taking needed steps to encourage economic growth and job creation. (A full copy of the letter is available below.)

“We must act to promote economic growth and job creation today,” Ways and Means Ranking Member Sander Levin wrote on behalf of Committee Democrats in a [letter](#) to Joint Select Committee Co-Chairs Rep. Jeb Hensarling and Sen. Patty Murray. “We must recognize that additional revenue is needed and that we cannot balance the budget through spending cuts alone. We must strengthen and extend Medicare and Social Security so they continue to provide bedrock economic, health and retirement security to current and future generations.”

“Ultimately, the Joint Select Committee and the Congress must take a balanced approach if we are to truly address our deficit and debt,” Ranking Member Levin wrote on behalf of Committee Democrats.

### **KEY POINTS:**

- We believe the first vital step the Joint Select Committee can take to address the deficit is to adopt policies that will spur job creation and economic growth today. The President has laid out a plan that economist Mark Zandi has estimated would add two percentage points to GDP growth next year, add 1.9 million jobs, and cut the unemployment rate by a percentage point. House Democrats have proposed a number of additional ideas to boost job creation as part of our Make it in America Agenda, including the Currency Reform For Fair Trade Act, the Building America Jobs Act and an extension and expansion of provisions to support advanced energy manufacturing. The Joint Select Committee and Congress should act on these proposals immediately. The 14 million Americans who are still looking for work cannot afford to wait any longer.
- The committee must take a balanced approach to deficit reduction that includes proposals to increase revenues. Whether taken on their own, or as a down payment on tax reform, proposals to increase revenue should be guided by the same principles as tax reform: Job Creation, Fairness and Fiscal Responsibility.
- While the Congress must act to put the federal government on a sustainable fiscal path, we must do so in a way that preserves the institutions that have provided a level of basic economic security to millions of Americans and helped build the middle class. We cannot balance the budget by repealing landmark achievements of the 20<sup>th</sup> Century: Social Security, Unemployment Insurance, Medicare, Medicaid.

· We must build on the Affordable Care Act and existing provisions in Medicare, to increase innovation, further reform the delivery and payment systems, and reduce costs in both the public and private sectors while protecting patients. Any new Medicare savings should first be used to strengthen the program by extending expiring provisions and by permanently reforming the physician payment system to ensure continued access to care. We must also remain vigilant in our efforts to eliminate waste, fraud and abuse where it exists and ensure that patients, employers and taxpayers get the most for their money.

· Costs are not reduced when they are simply shifted onto individuals or families, providers or the states. Such cost-shifts are not “reform.” Indeed, ending Medicare, as proposed by the House Republican budget earlier this year, may reduce government spending, but the Congressional Budget Office said it would actually lead to higher overall health spending. In the same way, increasing the Medicare eligibility age may reduce Medicare spending, but outlays in other federal programs would increase, reducing the net savings to the federal government. This ill-advised proposal would also shift substantial costs to older Americans, employers and all individuals who participate in the health insurance exchanges formed under ACA. These changes would harm our nation’s health care system and the millions of citizens that rely on it.