

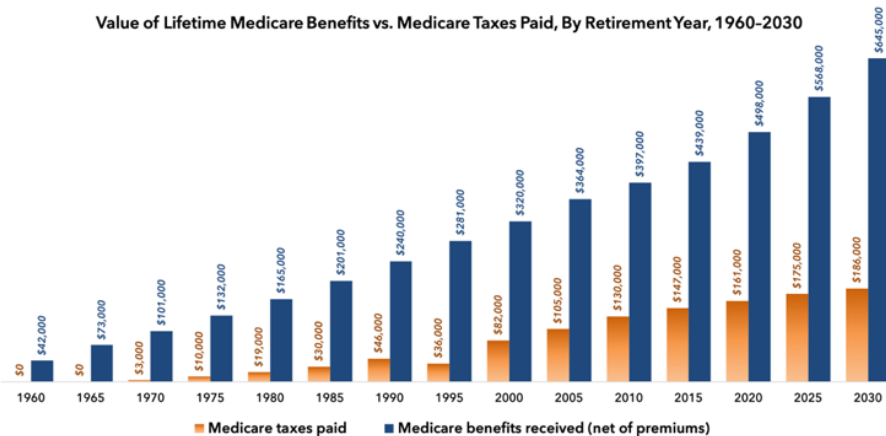


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## Why Medicare is Failing

Medicare is failing. When it began in 1966, nineteen million Americans were automatically eligible despite never paying a dime. Doctors and hospitals who had offered services affordably and charitably suddenly raised their prices. And senior citizens accessed services they may have not paid for on their own. It was a free-for-all.

Many seniors believe their payroll taxes cover their care, but today it's their grandchildren's payroll taxes that pay the bills. Today's seniors receive three times as much in benefits as they paid in taxes. For example, those who retired in the year 2000 will receive three hundred twenty thousand dollars in Medicare benefits but they only paid \$82,000 in payroll taxes.



Medicare enrollees today receive 3 times as much in benefits as they paid in taxes. The average two-earner family that retired in 2010 will receive \$397,000 in inflation-adjusted Medicare benefits over the course of their lives, net of premiums, but only paid \$130,000 into the system in taxes: a ratio of 3.1 to 1. Those retiring in 2030 will receive \$645,000 in benefits while paying in only \$186,000: a ratio of 3.5 to 1. Future generations will not benefit from this arrangement, as it is fiscally unsustainable. (Graphic: A. Roy / FREOPP; Source: Eugene Steuerle and Caleb Quakenbush / Urban Institute)

Graph found at: "Medicare Advantage: A Platform for Affordable Health Reform," Avik Roy, The Foundation for Research on Equal Opportunity, April 18, 2019: <https://freopp.org/medicare-advantage-a-platform-for-affordable-health-reform-fbe31bf444f3>

Presented daily by Twila Brase, President, Citizens' Council for Health Freedom.

*The Health Freedom Minute is now heard in 47 states:  
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