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# NEWS RELEASE

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## Medicare Trustees' Report Highlights Need for Reform

Actuaries unveil election 2008 resources for voters on health care and Social Security

**WASHINGTON – 26 March 2008** – The **American Academy of Actuaries** said the most recent Medicare trustees' report calls for comprehensive reform to address the program's long-term financing issues. According to the program's trustees, Medicare's Hospital Insurance (HI) expenditures currently exceed income from payroll taxes, and Medicare must rely also on interest accrued on trust fund assets. Beginning in 2010, these expenditures will exceed income including interest, and Medicare will draw upon its HI trust fund assets. The trust fund is projected to be depleted by 2019, when tax revenues would cover only 78 percent of program costs.

"The sooner these long-term financing problems are addressed, the more flexible and gradual the solutions can be," the Academy's Senior Health Fellow **Cori Uccello** said. "All of the presidential and congressional candidates must not only acknowledge these problems, but also offer insights as to how they would address them."

To provide voters with the information they need to better understand Medicare, health care reform issues, and Social Security, the Academy has unveiled a new election 2008 web-based resource center. The resource center offers a series of health care reform issue backgrounders on various topics, including rising health care spending, consumer-driven health plans, and medical insurance pooling mechanisms. It also offers an election guide on Social Security, which reviews the questions candidates should answer about potential reform options. All are available at: [www.actuary.org/issues/elect08.asp](http://www.actuary.org/issues/elect08.asp). For an actuarial perspective on the Medicare trustees' report, please visit: [www.actuary.org](http://www.actuary.org). To schedule an interview with Cori Uccello, please contact Andrew Simonelli, assistant director of communications for the American Academy of Actuaries, at 202.785.7872.

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