

## Senate Resolution 15 - Introduced

### SENATE RESOLUTION NO. 15

BY McCOY, BEALL, BLACK, BOLKCOM, BOWMAN, COURTNEY,  
DANDEKAR, DANIELSON, DEARDEN, DOTZLER, DVORSKY,  
FRAISE, GRONSTAL, HANCOCK, HATCH, HOGG, HORN,  
JOCHUM, KIBBIE, QUIRMBACH, RAGAN, RIELLY,  
SCHOENJAHN, SENG, SODDERS, and WILHELM

1 A Resolution opposing proposed Congressional changes to  
2 the Medicare and Medicaid programs.

3 WHEREAS, the Medicare and Medicaid programs were  
4 originally created to provide health security and  
5 financial protection to older Americans, persons with  
6 disabilities, and the poor; and

7 WHEREAS, the United States House of Representatives  
8 has recently adopted House Concurrent Resolution 34  
9 encompassing the budget proposal of Budget Chairman  
10 Paul Ryan which would make fundamental changes to the  
11 Medicare and Medicaid programs, profoundly impacting  
12 individuals and states in contravention of this  
13 original intent; and

14 WHEREAS, under the proposal the traditional  
15 guaranteed benefit Medicare program would be replaced  
16 with a system of premium support payments; and

17 WHEREAS, the system proposed would provide a fixed  
18 subsidy amount for each Medicare beneficiary to use  
19 toward acquiring their own health care coverage in the  
20 private health insurance market; and

21 WHEREAS, the Congressional Budget Office estimates  
22 that not only would the cost of coverage in the  
23 private marketplace be considerably higher than under  
24 traditional Medicare, as evidenced by the experience

1 with Medicare Advantage plans, but the percentage of  
2 out-of-pocket costs required to be paid by a typical  
3 Medicare beneficiary would increase to 68 percent by  
4 2030, compared with 25 percent under the traditional  
5 Medicare program; and

6 WHEREAS, the cost of buying health care coverage  
7 in the private marketplace would double the amount  
8 of out-of-pocket expenses for a typical Medicare  
9 beneficiary in 2022 from an estimated \$6,150 under  
10 the traditional Medicare program to an estimated  
11 \$12,510; and

12 WHEREAS, the amount of the cost shifted to Medicare  
13 beneficiaries would be exacerbated by linking the  
14 increase in the amount of the subsidy over time to the  
15 consumer price index for all urban consumers rather  
16 than to health care inflation, which historically has  
17 increased at a faster rate; and

18 WHEREAS, the shifting of increased costs to Medicare  
19 beneficiaries, whose median annual income is \$21,000,  
20 would effectively price Medicare beneficiaries out of  
21 the private health care market, relegating them to  
22 the ranks of the uninsured and denying them critical  
23 health care services, thereby undermining the promise  
24 of health security and financial protection made by  
25 Congress in 1965; and

26 WHEREAS, the budget proposal does nothing to rein  
27 in health care costs, but merely shifts payment of  
28 increasing costs from the federal budget to current  
29 Medicare beneficiaries and portends the elimination of  
30 the Medicare program for future generations; and

1 WHEREAS, the budget proposal would also reopen the  
2 gap, known as the "doughnut hole", in Medicare Part  
3 D prescription drug coverage, resulting in additional  
4 costs to Medicare beneficiaries; and

5 WHEREAS, with regard to the Medicaid program, the  
6 budget proposal replaces federal matching payments to  
7 states with fixed-sum block grants; and

8 WHEREAS, the Congressional Budget Office projects  
9 that even with additional state flexibility, such block  
10 grants would result in reduction of payments to states,  
11 requiring states to decrease reimbursements to Medicaid  
12 providers, reduce Medicaid eligibility, and reduce the  
13 scope of available benefits, or, in the alternative,  
14 force states to increase state expenditures; and

15 WHEREAS, the Kaiser Commission on Medicaid and the  
16 Uninsured notes that the use of the block grant and the  
17 cap on federal Medicaid spending would substantially  
18 reduce states' ability to provide coverage to  
19 low-income Americans and, combining this with the  
20 budget proposal's repeal of specified provisions of the  
21 Affordable Care Act, would add millions more to the  
22 number of uninsured Americans and compromise the role  
23 of Medicaid as the health safety net especially during  
24 economic downturns; and

25 WHEREAS, since the Medicaid program covers  
26 approximately 62 percent of all long-term care  
27 spending in the United States, a reduction in Medicaid  
28 funding would disproportionately endanger necessary  
29 services for low-income seniors and persons with  
30 disabilities; NOW THEREFORE,

1 BE IT RESOLVED BY THE SENATE, That the Senate  
2 respectfully expresses its opposition to the budget  
3 proposal encompassed in House Concurrent Resolution  
4 34 and any proposals to change the Medicare or  
5 Medicaid programs that are projected to lead to fewer  
6 Americans, especially those most vulnerable due to age,  
7 disability, or poverty, being able to obtain or retain  
8 health care coverage; and

9 BE IT FURTHER RESOLVED, That the Secretary of  
10 the Senate is directed to distribute copies of this  
11 resolution to the Iowa congressional delegation.