

R031-0405

10 **A RESOLUTION CONCERNING THE**
20 **STRENGTHENING OF THE MEDICARE PROGRAM**

30 **WHEREAS:** Medicare, the huge government insurance program that covers 41 million
40 seniors and disabled citizens, is facing a major financial crisis; and,

50 **WHEREAS:** Medicare-aged individuals will spend about \$1.8 trillion on prescription drugs
60 over the 10-year budget window between 2004 and 2013, and over the more
70 narrow period when the recently passed prescription supplemental bill is
80 actually implemented, between 2006 and 2013, about \$1.5 trillion; and,

90 **WHEREAS:** The new Medicare law could cost from \$1 trillion to as much as \$2 trillion in its
100 second 10 years, according to Douglas Holtz-Eakin, director of the
110 Congressional Budget Office; and,

120 **WHEREAS:** Even without a prescription drug entitlement added to Medicare, the long-term
130 projections for the financial sustainability of the program are grim, with the plan
140 expected to consume one-fifth of all federal tax revenue by 2026; and,

150 **WHEREAS:** According to Medicare Trustee Thomas R. Saving, a professor of economics at
160 Texas A&M University and senior fellow at the National Center for Policy
170 Analysis, the Medicare program is now projected to consume: 24 percent of all
180 federal income taxes by 2019 and 51 percent of all federal income taxes by
190 2042; and,

200 **WHEREAS:** According to the Commonwealth Fund 2002 Workplace Health Insurance
210 Survey, 65 percent of adults between 19 and 64 would prefer to have private
220 health care coverage as opposed to government health plans like Medicaid and
230 Medicare; and,

240 **WHEREAS:** The current national debt is approximately \$7,800,000,000,000.00 and with year
250 after year of hundreds of billions of dollars being piled onto the debt, the United
260 States needs to seriously consider reform in all areas of government that will
270 provide the greatest monetary relief and maximize our chances of avoiding
280 financial disaster.

290 **THEREFORE BE IT RESOLVED:** That the Maryland Student Legislature urges the
300 Congress of the United States to adopt a comprehensive plan to restructure the
310 current Medicare program by: a.) Adopting a premium support system that
320 maximizes personal choice while adjusting with the patient's age, health costs
330 and income; b.) Replacing Medicare's regulatory regime with a new consumer
340 protection system similar to that of the Federal Employees Health Benefits
350 Program; c.) Delaying the implementation of the new Medicare drug benefit
360 until Medicare's long-term financing problems are solved; d.) Making
370 permanent the new prescription drug discount card; e.) Promote pre-funded
380 health care by creating incentives for citizens to open Health Savings Accounts;
390 and,

400 **BE IT FURTHER RESOLVED:** That the Maryland Student Legislature urges the Congress of
410 the United States as well as the President of the United States to act swiftly in
420 passing the provisions outlined in this resolution as to avoid the looming
430 financial disaster of doing nothing.

440 **MANDATES:** President George W. Bush
450 Senate Majority Leader Bill Frist
460 Senate Minority Leader Harry Reid
470 Speaker of the House Dennis Hastert
480 House Majority Leader Tom DeLay
490 House Minority Leader Nancy Pelosi
500 Federal Reserve Chairman Alan Greenspan

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