



The Impact of the Ryan Medicare Proposal on Western New York

The budget passed by the House majority in April 2011 makes radical changes to Medicare and would have a devastating effect on Western New Yorkers. The Republican plan would raise costs for seniors and individuals with disabilities enrolled in Medicare, reduce their benefits, and put private insurance companies in charge of the program.

For current beneficiaries, important benefits – such as closing the hole in Medicare’s drug coverage – would be immediately eliminated. For individuals age 54 and under, Medicare’s guarantee of comprehensive coverage would be replaced with a voucher to buy private health insurance. By design, this federal contribution would not keep pace with medical costs, shifting thousands of dollars in costs onto the individual.

For those currently enrolled in Medicare

The House majority proposal would have adverse impacts on seniors and disabled individuals in the district who are currently enrolled in Medicare. It would:

- Increase prescription drug costs for **25,100 Medicare beneficiaries in the 28th and 26th districts** who enter the Part D donut hole, forcing them to pay an extra **\$247 million** for drugs over the next decade.
- And eliminate new preventive care benefits for **225,000 Medicare beneficiaries** in the both districts.

For those age 54 and younger not yet enrolled in Medicare

The Republican proposal would have even greater impacts on individuals in the district age 54 and younger who are not currently enrolled in Medicare. It would:

- Deny **920,000 Western New Yorkers age 54 and younger** access to Medicare’s guaranteed benefits.
- Increase the out-of-pocket costs of health coverage by **over \$6,000 per year in 2022** and by almost **\$12,000 per year in 2032** for the **214,000 individuals in both districts who are between the ages of 44 and 54.**
- It would require those Western New Yorkers between the ages of 44 and 54 to save an average of \$182,000 to \$287,000 per individual – to pay for the increased cost of health coverage over their lifetimes. Younger residents of the district will have to save even higher amounts to cover their additional medical costs.

For the 214,000 Western New Yorkers aged 44 to 54, that means they will have to save an additional \$50 billion for their retirement if the Ryan plan is enacted. Younger residents of the district will have to save even higher amounts to cover their additional medical costs.

Source: House Committee on Energy and Commerce, Minority Staff

http://docs.house.gov/energycommerce/medicare_2011/NY28.Slaughter.pdf and http://docs.house.gov/energycommerce/medicare_2011/NY26.Hochul.pdf