

## Research



# The Future of America's Entitlements: What You Need to Know About the Medicare Trustees Report

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## EXECUTIVE SUMMARY

The Medicare Trustees issued their annual report detailing the financial state of America's entitlement programs. The report echoed past conclusions: Medicare and Social Security are still going bankrupt.

At its current pace, *Medicare will be bankrupt in 2030* and *Social Security will go bankrupt in 2034 (a year later than last year's projection)*.

Despite what many will herald as good news for Medicare, a deeper look at the data proves just how broken our current entitlement programs are. An American Action Forum analysis of the data found other startling statistics, including:

- Medicare's Annual Cash Shortfall in 2014 was \$308.9 billion
- Payroll taxes would have to increase 18% to pay for Medicare Part A just this year
- Over the next 75 years, Social Security will owe nearly \$11 trillion more than it is projected to take in

*What You Need to Know About the Medicare Trustees Report* includes one-pagers and relevant statistics on:

- The solvency of Medicare
- President Obama's stewardship of Medicare
- The solvency of the Social Security Trust Fund
- The solvency of the Social Security Disability Insurance (DI) program
- The solvency of the Social Security Old-age and Survivors Insurance (OASI) Program

## THE SOLVENCY OF MEDICARE