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MEDICARE ELIGIBILITY AGE NEEDS TO RISE TO 67, HEALTH CEOS SAY

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Sept. 14, 2011: The congressional panel negotiating a deficit reduction package should raise the age when people become eligible for Medicare to 67 from 65, a group representing health-care chief executives said.

The Healthcare Leadership Council included the recommendation in a set of four proposals it said would save \$410 billion in a decade. The Washington-based group represents Pfizer Inc. and Merck & Co. the two largest U.S. drugmakers by revenue. The group also called for private health plans to cover more Medicare recipients and make people earning more than \$150,000 pay for the full cost of Medicare premiums.

"This supercommittee process is a unique opportunity to do more than simply chop away at budgets," Mary Grealy, the group's president, said in a statement, referring to the 12-member congressional debt panel.

Medicare, the U.S. health program for the elderly and disabled, currently covers 47 million people and spends \$519 billion a year, according to the Menlo Park, California-based Kasier Family Foundation.

The program is a prime target for the debt panel. Unless members reach a deal to cut \$1.2 trillion from government spending, a mechanism will automatically cut 2 percent, or \$123 billion, from the \$6.1 trillion the U.S. is projected to spend on Medicare between now and 2021, according to the Congressional Budget Office.

The hospital industry's lobbying group, the American Hospital Association, has already backed raising the Medicare age to 67. In a memo sent to hospitals, the Chicago-based group said that cuts to health care providers would damage the industry, and that instead its members should back changes such as raising the Medicare age. The council also called for overhauling the legal liability system for medical providers.

Along with the executives from New York-based Pfizer and Merck, of Whitehouse Station, New Jersey, the group also includes senior executives from Aetna Inc., based in Hartford, Connecticut, Minneapolis-based device maker Medtronic Inc. and Deerfield, Illinois-based drugstore Walgreen Co.