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**CRFB Applauds President Obama's Focus  
on Paying for Health Care Reform  
June 15, 2009**

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Today, in an address to the American Medical Association, President Obama made the case for health care reform focused on bringing down long-term costs. He also pledged that his plan to expand insurance coverage would be deficit neutral over the next decade, and outlined some of the \$948 billion in savings he has proposed to finance his health care reform – including the \$313 billion announced this weekend.

The Committee for a Responsible Federal Budget supports the President's goal of slowing the growth in economy-wide health care cost growth and applauds President Obama for offering specific offsets to cover the plan's new costs.

"If we're going to expand health care coverage, these are exactly the types of hard choices we need to be making," said Maya MacGuineas, President of the Committee for a Responsible Budget. "Although more offsets may be needed, or the cost of the new health entitlement will have to be scaled back, the Administration's proposed health care offsets show a recognition of the fundamental reality that expanding health care coverage is going to cost money; we applaud their continued insistence that these costs shouldn't be placed on future generations."

Among the offsets proposed by the Administration include cutting spending for Medicare Advantage (\$177 billion), limiting to itemized deductions for higher incomes (\$267 billion), slowing the growth of certain Medicare provider payments (\$110 billion), phasing down Disproportionate Share Hospital (DSH) payments (\$106 billion), and enacting a number of measures to reduce spending on Medicare and Medicaid and close tax loopholes. A table of all proposed measures is available at: <http://www.usbudgetwatch.org/files/crfb/HCOffsets.pdf>

As part of its health care series, the Committee for a Responsible Federal Budget will also be releasing a paper this week arguing that health care reform should be fully paid for and offering ideas to help meet this goal.