



CHAIR JODEY ARRINGTON

# HOUSE BUDGET COMMITTEE

## Social Security and Medicare Continue on *Path to Insolvency, Trustees Confirm*

WASHINGTON, D.C. – Today, the Social Security and Medicare Trustees annual reports were submitted to Congress. The reports **highlight the alarming financial predicament** for the future of the [Social Security](#) and [Medicare](#) programs that millions of seniors depend on.

CHAIRMAN ARRINGTON'S STATEMENT ON THE SOCIAL SECURITY AND MEDICARE TRUSTEES REPORTS

**In response to the reports, House Budget Committee Chairman Jodey Arrington (R-TX) released the following statement:**

*“We have **the highest levels of indebtedness in our nation’s history**, an inflationary and anemic economy, and the two most important senior safety net programs facing insolvency.*

*This trustees report only reiterates why we need a bipartisan Fiscal Commission to address the Social Security and Medicare Trust Funds and the **\$140 trillion** unfunded liability on America’s balance sheet.*

*Republicans and Democrats have both proven they will not fix Social Security and Medicare on their own. We must put our seniors and country first and work together to find a solution. Doing nothing is condemning our seniors to automatic benefit cuts and our country to a future debt crisis.”*



## MORE ON THE SOCIAL SECURITY AND MEDICARE TRUSTEES REPORTS

The Social Security Board of Trustees project that the Social Security Old-Age and Survivors Insurance (OASI) **trust fund will become insolvent in 2033**, consistent with projections in last year's [report](#), and that the Disability Insurance (DI) trust fund will not become depleted in the 75-year projection period.

The Medicare Board of Trustees project that the Medicare Hospital Insurance (HI) Trust Fund, out of which Part A benefits for inpatient care are paid, will become **insolvent in 2036**, which is five years later than projected in last year's [report](#).

Under the Social Security Act of 1935, the Board of Trustees is required to submit the annual reports on the current and projected financial status of the trust funds to Congress on April 1 each year. **This year, the trustees again missed this deadline and submitted the report to Congress 35 days late.** The trustees have *missed* the April 1 statutory deadline in **17 of the last 25 years from 2000 and 2024**.

## THE BOTTOM LINE

Insolvency means the programs **would not be able to cover all expenditures with trust fund revenues**. If no course corrections changes are made, this translates to a **21 percent benefits cut** to the main Social Security trust fund and an **11 percent cut to Medicare HI payments**.

This means that in 2033, OASI's income will be sufficient to pay only **79 percent of scheduled benefits**. For Medicare, the Trustees project HI revenues would only be able to cover 100 percent of scheduled benefits until 2036, when the trust fund would then only be sufficient to cover **89 percent of Part A benefits**.



Social Security and Medicare are earned benefits that must be saved and strengthened for current and future Americans. If lawmakers and the President do nothing, the trust funds for Social Security and Medicare **will be depleted by 2033 and 2036**, respectively, meaning current retirees will be facing significant cuts to their benefits.

The House Budget Committee's **Fiscal Year (FY) 2025 Budget**, while not making any changes to Social Security or Medicare benefits, provides a mechanism to force Congress and the President to address the insolvency of these critical programs. The Budget Committee has also reported the **Fiscal Commission Act**, which will also give Congress the tools it needs to save and strengthen these vital programs.

