

IN CASE YOU MISSED IT

Via Fox Business:

Social Security Payments Will Be Cut \$325 Per Month by 2033 Without Changes

Yesterday, the House Budget Committee held an oversight [hearing](#) **Sounding the Alarm** on the looming insolvency threat to the Social Security and Medicare trust funds.

The Chief Actuary for the Social Security Administration and the Chief Actuary for the Centers for Medicare and Medicaid Services testified before the committee **for the first time in 12 years** about their respective safety net programs which are both on the path to insolvency unless action is taken.

An article today in [Fox Business](#) highlighted the hearing and the “two safety net programs' looming financial woes that could see key trust funds depleted in roughly a decade, which would leave beneficiaries facing a benefit cut if the funding gap isn't resolved by Congress.”



WORD ON THE STREET



Via Fox Business:

- *“Trustees for Social Security and Medicare recently released a report that looked at the health of the key trust funds which found that key trust funds are on **pace to be depleted in roughly a decade**. When that happens, those programs would only be able to pay out what they receive through incoming payroll tax receipts, meaning **benefits would be automatically cut** under current law.”*



- *“House Budget Committee Chairman Jodey Arrington, R-Texas, said in his opening remarks that **“60 million-plus people”** are counting on Social Security and Medicare today, while **another 10,000 per day** are becoming eligible for the programs.”*
- *“He noted that the committee passed a bill that **would create a bipartisan fiscal commission** with lawmakers from both parties who would seek to come to a consensus on policies **to stabilize the nation’s finances**, including the looming issues with Social Security and Medicare. The bill is yet to be considered by the full House of Representatives.”*

THE BOTTOM LINE

If Congress continues to do nothing on Social Security and Medicare, **the cost to seniors will be great**. Trust funds for Social Security and Medicare **will be depleted by 2033 and 2036**, respectively. This means current retirees may experience significant cuts to their benefits. If nothing is done, seniors will face a **21 percent benefits cut to their Social Security benefits** and an **11 percent cut to Medicare Part A benefits**.

The House Budget Committee’s **Fiscal Year (FY) 2025 Budget** makes no changes to Social Security or Medicare benefits while supporting the creation of a fiscal commission to help Congress and the President save and strengthen these programs for today’s and tomorrow’s beneficiaries. **Yesterday’s hearing was a step forward in ensuring that the threats of Social Security and Medicare insolvency are addressed with bipartisan, proactive solutions.**

