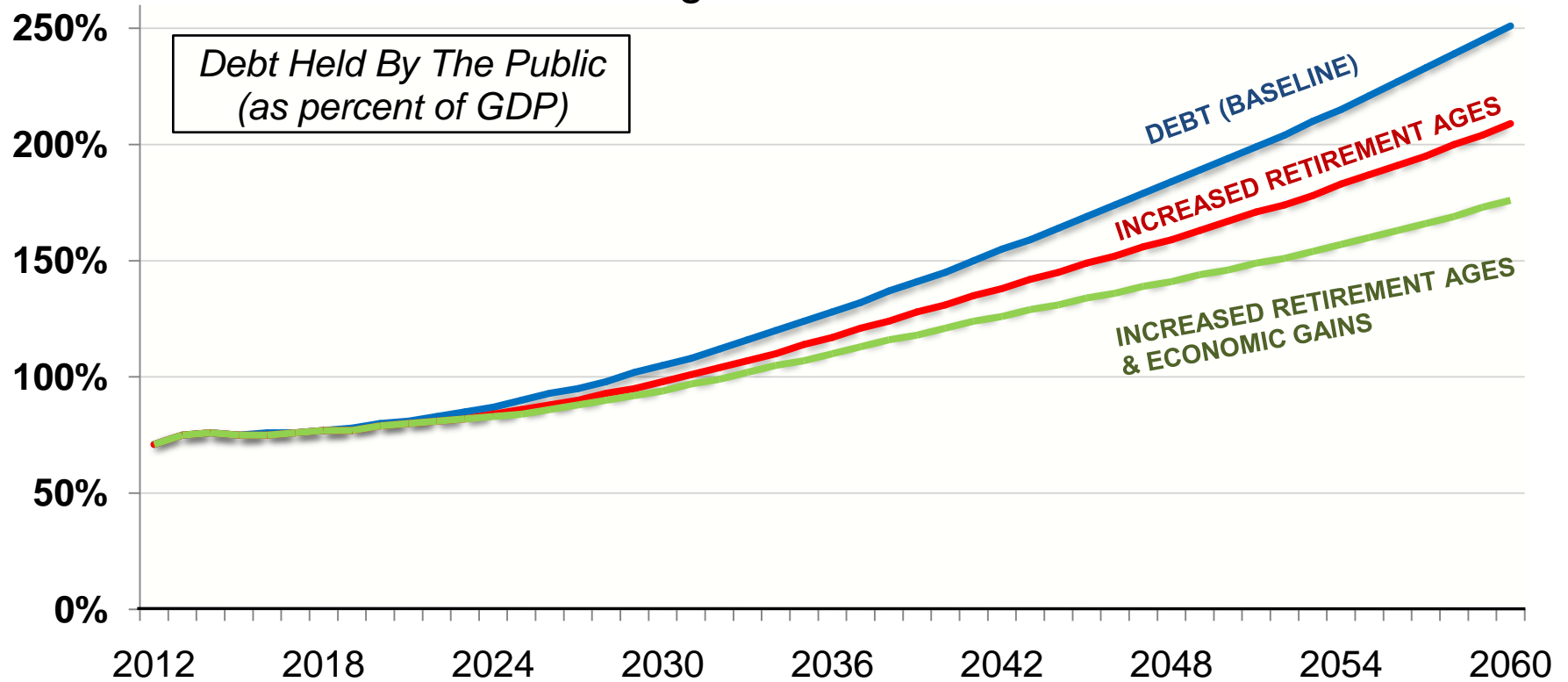


# Raising the Ages of Eligibility for Medicare and Social Security Reduces Long-Term Fiscal Imbalances



EFFECTS OF RAISING RETIREMENT AGES						
POLICY OPTION	BUDGETARY SAVINGS (10 yr) (Billions of \$)	ADDITIONAL TIME IN WORKFORCE	GDP INCREASE		DEBT REDUCTION	
			2035	2060	2035	2060
Raise Medicare Eligibility Age to 67 by 2025	(\$113)	1 MONTH	-	-	-	-
Raise Earliest Eligibility Age to 64 by 2025	(\$144)	8 MONTHS	-	-	-	-
Raise Normal Retirement Age to 70 by 2035	(\$120)	8 MONTHS	-	-	-	-
Total (Including Indirect Effects)	~(\$380)	-	2%	3%	10%	40%

- CRFB Baseline Public Debt
- Includes All Budgetary Savings (Net Effect)
- Economic Gains = Increased GDP, Labor Force, and Revenue

~ Total includes effects of changes on GDP and revenue

Source: Committee for a Responsible Federal Budget, Congressional Budget Office

Produced by: Veronique de Rugy, Mercatus Center at George Mason University