



Sources: 2012 Trustees Report, Congressional Budget Office.
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Money-saving proposals through Medicare reform are a significant issue for the upcoming election. This chart *re-examines* Medicare costs over time using the most recent *data* from the 2012 Trustees Report and Congressional Budget Office. Between 1975 and 2011, the number of Medicare enrollees doubled to 48 million, and the real cost per enrollee quintupled.

Based on these projections, by 2040 Medicare will cover about 88 million people, and the cost will be nearly two times higher than what we pay today for one beneficiary.

Projected costs from the Trustees Report tend to underestimate the real costs of Medicare. When previous reports are *compared*, it is almost always the case that costs rise faster than projected. In 2009, the Trustee’s report projected per enrollee costs to be below \$17,000, and now it is over \$20,000. The 2012 Trustees Report estimates a per enrollee cost of \$20,985 by 2040, which is \$3,829 over what was projected in the 2011 report.

The maintenance of Medicare finance requires significant changes, especially with the expected surge in Medicare enrollees over the next 30 years. If the current trends persist, Medicare will take bigger bites out of the federal budget and will only ensure a future of higher taxes for workers and smaller or non-existent benefits for retirees.

Veronique de Rugy *discusses* the solvency of Medicare trust funds on The Blaze.

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