

Congress of the United States
Washington, DC 20515

March 1, 2012

President Barack Obama
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

Dear Mr. President:

Following last year's Medicare Trustees' report, we wrote to you expressing our concern about the impending insolvency of the program's Hospital Insurance Trust Fund. We also asked that, in accordance with current-law requirements, your Administration submit to Congress a proposal to address the Medicare funding warning issued in last year's Trustees' report. To date, we have received neither a response nor solution.

The law requires you to submit a legislative proposal to Congress following a warning by the Medicare Trustees triggered by a determination in two consecutive years that general revenues will account for more than 45 percent of Medicare's outlays for the current fiscal year or any of the next six fiscal years. Specifically, Section 1105 of Title 31 of the U.S. Code requires:

If there is a Medicare funding warning under section 801(a)(2) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 made in a year, the President shall submit to Congress, within the 15-day period beginning on the date of the budget submission to Congress under subsection (a) for the succeeding year, proposed legislation to respond to such warning.

Last year marked the sixth consecutive finding of excessive general-revenue funding and the fifth consecutive funding warning. During recent testimony before the House Budget Committee, Medicare's Chief Actuary suggested that it is likely this year's Trustees report will issue its seventh consecutive such finding. As if this weren't a clear enough call to action, your own Secretary of Health and Human Services testified last year before the same committee that "the traditional Medicare Fee-For-Service program is unsustainable."

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Mr. President, the Medicare Trustees, Medicare's Chief Actuary, and your own Administration have all sounded the alarm about Medicare's financial distress. Yet, the budget you submitted to Congress this month continues to punt on addressing the foremost fiscal threat to seniors, physicians, and the national balance sheet. Not only does this violate the statutory obligations laid out under current law, but it also threatens the sustainability of health care security for today's seniors and future Medicare beneficiaries.

You have often asked for Congress to "put politics aside" and solve the pressing issues facing our country. We would ask that you join us in this challenge and put a plan on the table. We look forward to receiving legislation to address the Medicare funding warning in the near future.

Very truly yours,



Jeff Sessions
United States Senator
Ranking Member
Senate Budget Committee



Paul Ryan
Member of Congress
Chairman
House Budget Committee