



THE POLICY  
CIRCLE®

#policynotpolitics

# Entitlements

## Discussion Guide

### Let's get started

Each member is invited to give a **two minute reaction** to the brief answering the following questions. You may want to use a timer as you go around the room. And don't forget to decide who will take notes and post a discussion recap.

- What lens did you wear when reviewing this brief (e.g. personal, professional, etc.)?
- What did you find most interesting from reading the brief?
- What do you most care about regarding this issue?

### Let's discuss

- What is the goal of entitlement policy and what should the priorities be?
- What current policies work well and what needs to change?
- A few specific topics to address :
  - How can programs support seniors who are close to retiring or in retirement, while shoring up these programs up for younger generations?
  - What are the impacts of entitlements on our community? Who cares about this and which part(s)?
  - How can we contribute to cutting red-tape and influencing government priorities?
  - How can voters help politicians feel like they can talk about reforms to our entitlement programs without losing their next election?

### Let's act

- How do entitlements affect our community? Is this an issue we'd like to learn more about? If so, who could serve as point people?
- What organizations, legislators and journalists could we contact to ask questions, learn more and get engaged?
- Who can post a meeting recap of this discussion and be a resource to other circles on this issue?

## Key Facts

- Social Security, Medicare, Medicaid, Obamacare and Income Security are the most well-known federal "Entitlement" programs.
- All federal entitlement programs comprise 73% of federal spending.
- Social Security was launched by the Roosevelt Administration in 1935 in response to the Great Depression. Medicare and Medicaid followed in 1965 as part of Lyndon B. Johnson's War on Poverty.
- The average Social Security benefit is \$1630/month. Roughly three workers are pay in for each Social Security beneficiary, versus more than 16 workers per beneficiary in 1950. (Mercatus)
- The average couple that pays \$140,00 in to Medicare and receives three times that back in healthcare services. (IWF)
- Medicaid represents \$1 of every \$6 dollar spent on healthcare. It has grown from 4 million in 1966 to 46.4 million in 2007 to 68.5 million in 2015. (Statista, CMS)
- Without reform, Medicare funds may be depleted in 2029 and Social Security in 2034. Not enough people are paying in to finance the benefits that are being paid out.

## Principles of Reform

As reforms become increasingly unavoidable, the goal is to make sure important programs are sustainable for younger generations, while not making changes for those on the cusp of or already in retirement. Specifically some principles of reform should include:

- Keeping spending in line with revenues
- Opportunities for increased patient/local control and responsive to individual needs instead of one-size-fits all blanket programs
- Opportunities for competition - to create the opportunity for increased efficiency, high quality and contained costs
- Work requirements for Medicaid to address potential for 'harm' from government influence
- Coordination among programs to reduce redundancy and operate more efficiently
- Introduce a lifetime earnings test and retirement age