

## Medicare Actuary Doubts the Health of Medicare's Trust Fund

Written August 6, 2010 by Peter Suderman

Yesterday, I noted that Medicare's Trustees cautioned readers not to put too much stock in their most recent report's rosy projections about the program's future. Today, *The Washington Post* notes that the entitlement's chief actuary is even more critical:

The Medicare program's chief actuary was far more skeptical, contending that the report's predictions "do not represent a reasonable expectation" of its finances. In a two-page letter accompanying the trustees' report, Richard S. Foster, a non-partisan official who has been the Health and Human Services Department's top financial expert on Medicare for 15 years, said he doubted that health-care providers will become as efficient as the new law envisions. As a result, he said, the program is unlikely to slow payments for treating patients as much as the law anticipates and, as a result, will be unable to save as much money.

As NCPA's John Goodman points out, for the first time in history, Foster went so far as to produce an alternative scenario—a scenario that begins by instructing readers to ignore the current-law projections.