

Macro Roundup Article

Headline: [A Huge Threat to the U.S. Budget Has Receded. And No One Is Sure Why](#)

Article Link: <https://www.nytimes.com/interactive/2023/09/05/upshot/medicare-budget-threat-receded.html>

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Publication	New York Times
Publication Date	September 06, 2023

Tweet: The growth in Medicare spending per beneficiary leveled off nearly a decade ago. If spending had grown at the prior rate, spending since 2011 would have been at least \$3.9 trillion higher.

Summary: Spending per Medicare beneficiary has nearly leveled off over more than a decade. The trend can be a little hard to see because, as baby boomers have aged, the number of people using Medicare has grown. The reason for the per-person slowdown is a bit of a mystery. Some of the reductions are easy to explain. The Affordable Care Act in 2010 reduced Medicare's payments to hospitals and to health insurers that offered private Medicare Advantage plans. Congress also cut Medicare payments as part of a budget deal in 2011. But most of the savings can't be attributed to any obvious policy shift. Economists at the Congressional Budget Office described the huge reductions in its Medicare forecasts between 2010 and 2020. Most of those reductions came from a category the budget office calls "technical adjustments," which it uses to describe changes to public health and the practice of medicine itself.

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Primary Topic: Fiscal Deficits

Topics: Database, Fiscal Deficits, Fiscal Policy, Government Spending, News article, Politics, Weekly

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