

Macro Roundup Article

Headline: [America's Entitlement Programmes Are Rapidly Approaching Insolvency](#)

Article Link: <https://www.economist.com/united-states/2023/04/09/americas-entitlement-programmes-are-rapidly-approaching-insolvency>

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Tweet: The Social Security and Medicare Board of Trustees estimate that the trust fund for Medicare will be exhausted by 2031. This is three years later than their previous estimate (due to savings from Covid deaths). The Social Security trust fund will be exhausted in 2033. @TheEconomist

Summary: The trust fund that pays for hospital insurance for patients of Medicare, the health-insurance scheme for the elderly, will run out of money by 2031; that is actually a reprieve from the previous estimate of 2028, because of the deadliness of covid-19. The fund that pays old-age benefits for Social Security, the state pension scheme, will be exhausted by 2033. These mandatory programmes are the behemoths of federal spending, costing \$2.2trn (8.6% of GDP) in total in 2022. This already eclipses the total of the discretionary spending approved in the federal budget—including on housing, education and even defence—that causes so much argument on Capitol Hill.

Primary Topic: Government Spending

Topics: Factoid, Fiscal Policy, Government Spending, News article

Permalink: <https://www.edwardconard.com/macro-roundup/the-social-security-and-medicare-board-of-trustees-estimate-that-the-trust-fund-for-medicare-will-be-exhausted-by-2031-this-is-three-years-later-than-their-previous-estimate-due-to-savings-from-cov?view=detail>

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