Table 9.
Medicare Financing: Breaux Proposal, NonTraditional Estimate (FFS slows) (Current Law Baseline = Trustees Intermediate)
(by selected calendar year)

	1970	1975	1980	1985	1990	1995	2000	2005	2010	2015	2020	2025	2030
						Billions of Dollars							
Trustees Intermediate Baseline													
Medicare Premiums	1	2	2	3	8	17	25	43	69	110	156	217	299
Payroll Taxes	5	12	24	48	72	98	130	164	206	259	324	401	497
General Revenue or Other Funding Needed	1	2	10	19	28	65	92	156	261	432	668	992	1,416
Total, Medicare Spending	7	15	36	70	108	180	247	363	536	801	1,148	1,611	2,212
Breaux Proposal													
Medicare Premiums	1	2	2	3	8	17	25	43	61	86	117	155	203
Payroll Taxes	5	12	24	48	72	98	130	164	206	259	324	401	497
General Revenue or Other Funding Needed	1	2	10	19	28	65	92	140	218	343	497	683	924
Total, Medicare Spending	7	15	36	70	108	180	247	347	485	688	938	1,239	1,625
						Percent Distribution							
Trustees Intermediate Baseline													
Medicare Premiums	12	12	5	5	8	9	10	12	13	14	14	13	13
Payroll Taxes	68	74	66	68	67	55	53	45	38	32	28	25	22
General Revenue or Other Funding Needed	20	14	29	28	26	36	37	43	49	54	58	62	64
Total, Medicare Spending	100	100	100	100	100	100	100	100	100	100	100	100	100
Breaux Proposal													
Medicare Premiums	12	12	5	5	8	9	10	13	13	13	13	13	13
Payroll Taxes	68	74	66	68	67	55	53	47	43	38	34	32	31
General Revenue or Other Funding Needed	20	14	29	28	26	36	37	40	45	50	53	55	57
Total, Medicare Spending	100	100	100	100	100	100	100	100	100	100	100	100	100
Memorandum: Part A Fund (in billions of dollars)													
Trustees Intermediate Baseline													
Inflows	6	13	26	51	80	115	146	181	222	279	349	432	536
Outflows	5	12	26	48	67	118	146	192	262	388	607	949	1,450
Net	1	1	1	5	13	-3	1	-10	-40	-109	-258	-517	-914
Balance	3	11	14	21	99	130	110	87	(49)	(438)	(1,388)	(3,411)	(7,090)
Breaux Proposal													
Inflows	6	13	26	51	80	115	146	182	224	279	349	432	536
Outflows	5	12	26	48	67	118	146	189	242	330	478	686	978
Net	1	1	1	5	13	-3	1	-7	-18	-51	-130	-254	-442
Balance	3	11	14	21	99	130	110	89	22	(158)	(624)	(1,628)	(3,412)

Source: Medicare Commission Staff.

Notes: Trustees Intermediate scenario based on Congressional Budget Office (January 1998), using Trustees' Intermediate (1997) assumptions.

Small slowdown in growth of FFS spending attributable to management tools given HCFA and/or Congressional action.

Part A estimates here computed by Commission staff. All spending estimates after Part A Fund insolvency are hypothetical.
Includes interest paid and received. (Interest is an intragovernmental transfer, which does not affect the budget surplus.)