

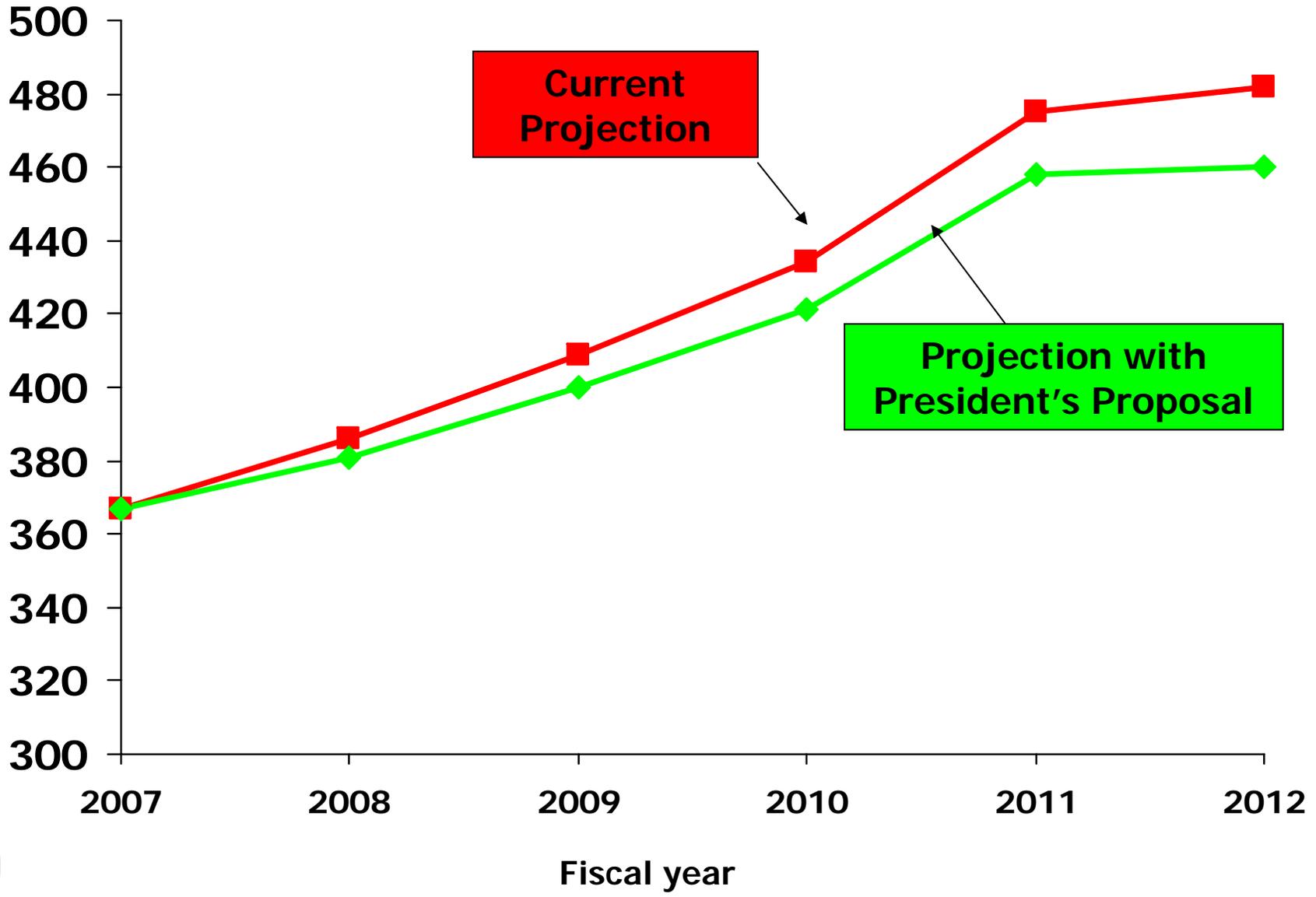
FY 2008 Budget Proposals on Medicare and Medicaid Growth Rates

	MEDICARE		MEDICAID	
	Five-Year Growth	Ten-Year Growth	Five-Year Growth	Ten-Year Growth
Current Law	6.5%	7.4%	7.3%	7.7%
Proposed Law	5.6%	6.7%	7.1%	7.6%



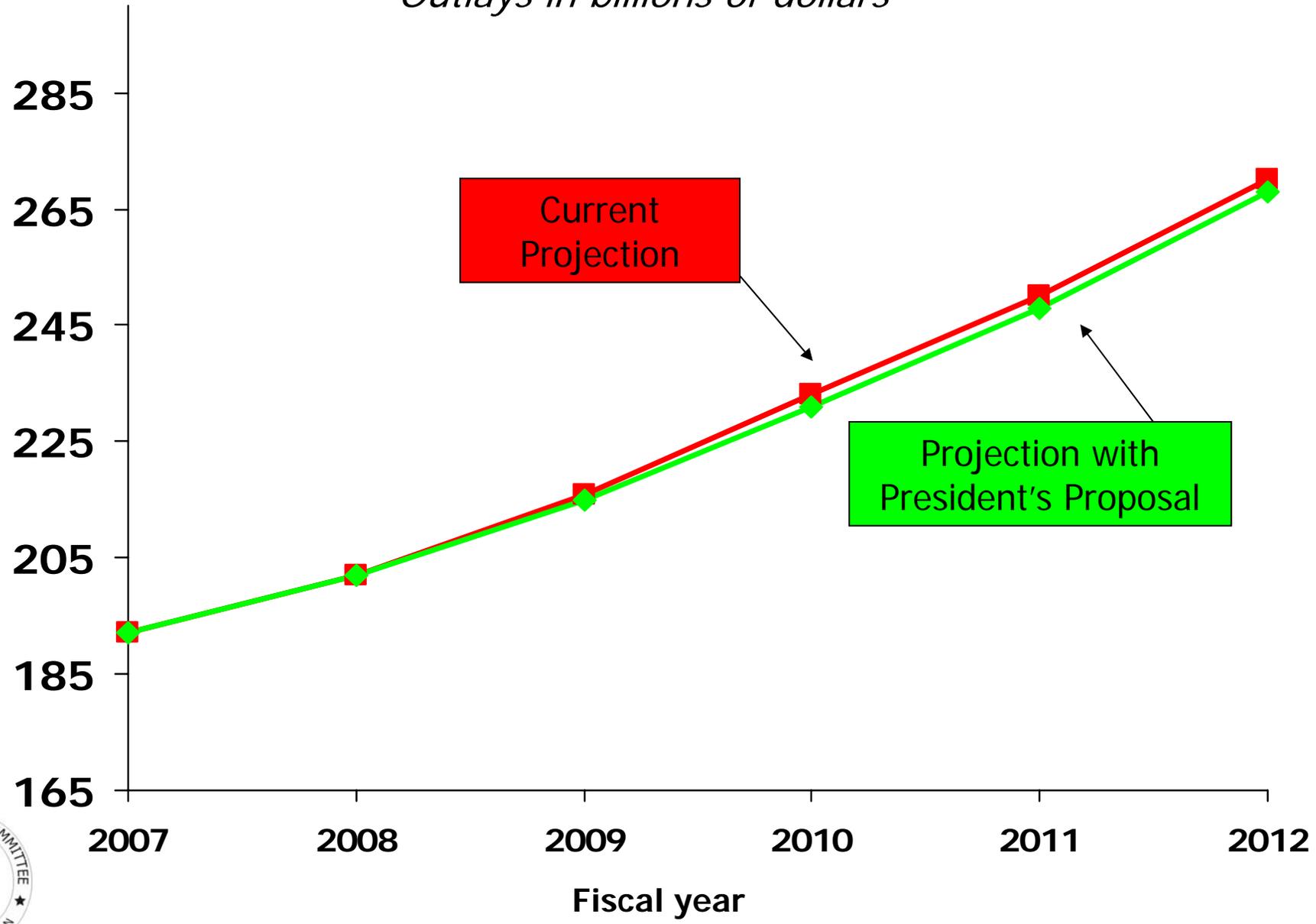
Medicare Growth Before and After Reform

Outlays in billions of dollars

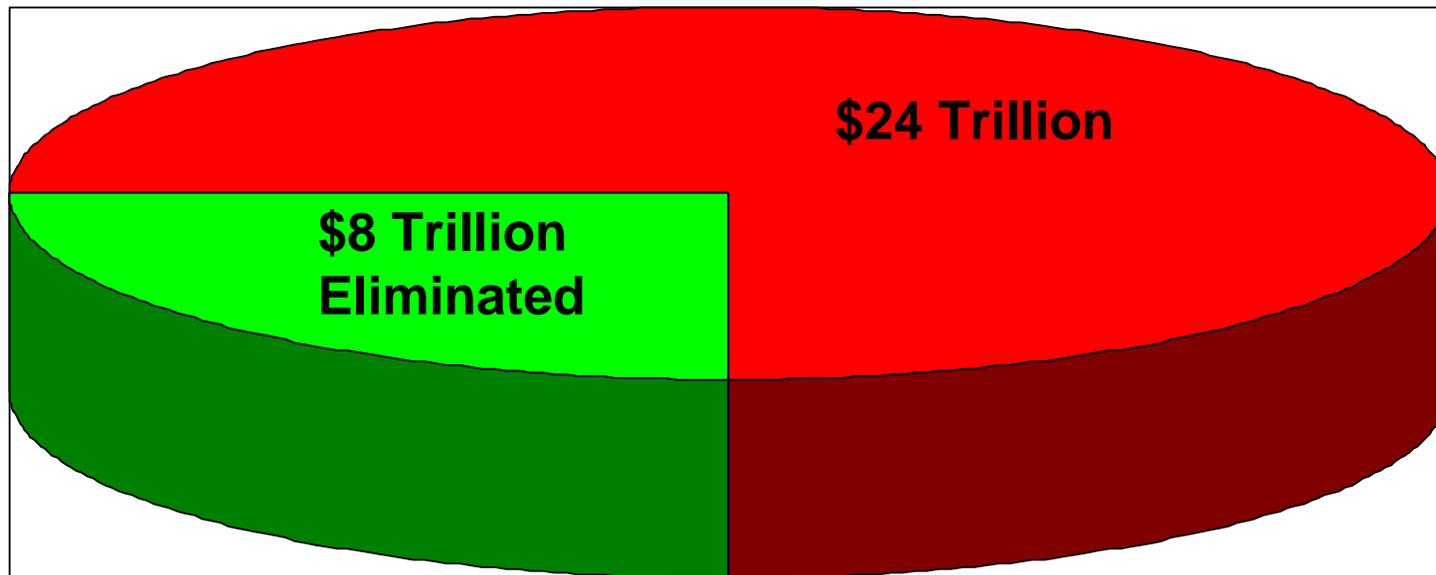


Medicaid Growth Before and After Reform

Outlays in billions of dollars



President's Proposal Erases 25% of Medicare's Unfunded Liabilities



\$32,000,000,000,000

**Medicare's Unfunded Liability
Under the President's
Proposals.**

