A ROADMAP FOR AMERICA’S FUTURE
THE CHALLENGE, THE RESPONSIBILITY, THE OPPORTUNITY

A Roadmap for America’s Future is a plan that draws on America’s strengths to restore our long-held legacy of leaving the next generation better off. It does this by achieving three key objectives:

- **Health and Retirement Security.** Ensures universal access to health insurance; rescues and strengthens Medicare, Medicaid, and Social Security – allowing them to fulfill their missions and making them permanently solvent.

- **Lift the Debt Burden.** Returns Federal spending growth to sustainable levels, and lifts the massive projected debt burden from the shoulders of future generations.

- **American Jobs & Competitiveness.** Promotes solid, sustained economic growth and job creation here in America, and puts the U.S. in a position to lead – not merely survive – in the global marketplace.

**Why America Needs a Plan.** America faces an immense challenge – which is also an extraordinary opportunity.

- **The Challenge.** Today, America is on a path of unsustainable Federal Government spending. Levels of projected debt threaten to bankrupt the country, there are trillions of dollars of unfunded liabilities in the government’s major benefit programs, and Americans face an accelerating erosion of their health care and retirement security. This will burden not only the Federal Government, but the U.S. economy as well, threatening its ability to continue raising standards of living, or to compete successfully in an increasingly international marketplace. This is a future in which America’s best century is the past century. **Unless we act.**

- **The Opportunity.** Restoring our nation to a sustainable fiscal course may be one of the greatest domestic challenges in our history. But it is also an extraordinary opportunity to transform the Federal Government to the realities of the 21st century.
Major Plan Components.

Health Care. Ensures universal access to affordable health insurance by restructuring the tax code, allowing all Americans to secure an affordable health plan that best suits their needs, and shifts the ownership of health coverage away from the government and employers to individuals.

- Provides a refundable tax credit – $2,500 for individuals and $5,000 for families – to purchase coverage in any State, and keep it with them if they move or change jobs.
- Establishes transparency in health care price and quality data, so this critical information is readily available before someone needs health services.
- Modernizes Medicaid and strengthens the health care safety net by reforming high-risk pools, giving States maximum flexibility to tailor Medicaid programs to the specific needs of their populations. Allows Medicaid recipients to take part in the same variety of options and high-quality care available to everyone through the tax credit option.

Medicare. Transitions the program to allow beneficiaries to choose the most affordable coverage to suit their needs.

- Preserves the existing Medicare program for those 55 or older.
- For those under 55, creates a Medicare payment of up to $9,500– adjusted for inflation and based on income, with low-income individuals receiving greater support. It is also risk-adjusted, so those with greater medical needs receive a higher payment.
- Establishes and fully funds medical savings accounts [MSAs] for low-income beneficiaries, while continuing to allow all beneficiaries, regardless of income, to set up tax-free MSAs.
- Makes Medicare permanently solvent, based on consultation with the Office of the Actuary of the Centers for Medicare & Medicaid Services.

Social Security.

- Preserves the existing Social Security program for those 55 or older.
- Offers workers under 55 the option of investing over one third of their current Social Security taxes into personal retirement accounts, similar to the Thrift Savings Plan available to Federal employees. Includes a property right so they can pass on these assets to their heirs, and a guarantee that total benefits from the personal accounts will not be less than they would have been under the current system.
- Combined with a more realistic measure of growth in Social Security’s initial benefits and an eventual modernization of the retirement age, makes the program permanently solvent, according to the Chief Actuary of the Social Security Administration [SSA].
Tax Reform

- Provides individual income tax payers a choice of how to pay their taxes – through existing law, or through a highly simplified code that fits on a postcard with just two rates and virtually no special tax deductions, credits, or exclusions (except the health care tax credit).

- Simplified tax rates are 10% on income up to $100,000 for joint filers, and $50,000 for single filers; and 25% on taxable income above these amounts. Also includes a generous standard deduction and personal exemption (totaling $39,000 for a family of four).

- Eliminates the alternative minimum tax [AMT].

- Promotes saving by eliminating taxes on interest, capital gains, and dividends; also eliminates the death tax.

- Replaces the corporate income tax – currently the second highest in the industrialized world – with a border-adjustable business consumption tax of 8.5%. This new rate is roughly half that of the rest of the industrialized world.

Why ‘A Roadmap for America’s Future’ is Different.

- **It’s Comprehensive.** Whether the issue is health care, international competitiveness, or debt, piecemeal, incremental “fixes” will never match the magnitude, urgency, and interrelated nature of America’s greatest domestic challenges. This plan provides the comprehensive approach critical for achieving real, long-term solutions.

- **It’s Backed Up By Numbers.** It is a real plan, with real proposals, real numbers to back them, and real legislation to implement it. Based on the analysis of government actuaries, this plan is projected to make the Social Security and Medicare programs *permanently* solvent. It will lift the growing debt burden on future generations, and hold Federal taxes to 18.5% of GDP.