

Medicare finances getting worse

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The Social Security Administration's main campus in Woodlawn, Md.

WASHINGTON — Medicare will run out of money sooner than expected, and Social Security's financial problems can't be ignored either, the government said Tuesday in a sobering checkup on programs vital to the middle class.

The report from program trustees says Medicare will become insolvent in 2026 — three years earlier than previously forecast. Its giant trust fund for inpatient care won't be able to fully cover projected medical bills starting at that point.

The report says Social Security will become insolvent in 2034 — no change from the projection last year.

The warning serves as a reminder of major issues left to languish while Washington plunges deeper into partisan strife. Because of the deterioration in Medicare's finances, officials said the Trump administration will be required by law to send Congress a plan next year to address the problems, after the president's budget is submitted.

Treasury Secretary Steven Mnuchin said in a statement that there's time to fix the problems. "The programs remain secure," Mnuchin said. Medicare "is on track to

meet its obligations to beneficiaries well into the next decade."

"However, certain long-term issues persist," the statement added. "Lack-luster economic growth in previous years, coupled with an aging population, has contributed to the projected shortages for both Social Security and Medicare."

Social Security recipients are likely to see a cost of living increase of about 2.4 percent next year, said government number-crunchers who produced the report. That works out to about \$31 a month.

At the same time, the monthly Medicare "Part B" premium for outpatient care paid by most beneficiaries is projected to rise by about

\$1.50, to \$135.50.

Both the cost-of-living increase and the Medicare outpatient premium are not officially determined until later in the year, and the initial projections can change.

More than 62 million retirees, disabled workers, spouses and surviving children receive Social Security benefits. The average monthly payment is \$1,294 for all beneficiaries. Medicare provides health insurance for about 60 million people, most of whom are age 65 or older.

Together the two programs have been credited with dramatically reducing poverty among older people and extending life expectancy for Americans. Financed with payroll taxes

collected from workers and employers, Social Security and Medicare account for about 40 percent of government spending, excluding interest on the federal debt.

But demands on both programs are increasing as America ages.

Unless lawmakers act, both programs face the prospect of being unable to cover the full cost of promised benefits. With Social Security that could mean sharply reduced payments for retirees, many of whom are already on tight budgets. The report said the total annual cost of Social Security is projected to exceed total annual income in 2018 for the first time since the Reagan era, meaning the program will have to tap into reserves.

Democrats hope for big push from 8-state primary night

LOS ANGELES (AP) — Holding hopes of a "blue wave" in November, Democrats fought to shape the political battlefield in primaries across eight states Tuesday, none more important than California and New Jersey where control of Congress may well be decided this fall.

In New Jersey, Mikie Sherrill, a former federal prosecutor and Navy pilot and now the Democratic establishment favorite, bested a field of party rivals in the race to replace retiring Republican Rep. Rodney Frelinghuysen. She'll take on GOP Assemblyman Jay Webber in one of several races Democrats view as prime opportunities in their effort to retake the House.

Democrats need to pick up 23 seats to seize control of the House in November.

Part of their path is likely to run through southern California, where the winners and losers in several of the most competitive races may take days to sort out given the state's unusual election laws.

The state's primary system offered potential nightmare scenarios for both parties. Between California and New Jersey, Democrats were getting a glimpse of whether their much-discussed momentum and enthusiasm were holding. Significant contests also

played out elsewhere on Tuesday.

Mississippi Republican Sen. Roger Wicker won his primary contest as did New Jersey Sen. Bob Menendez, a Democrat who faced federal bribery charges last year. The jury deadlocked, but Republicans hope to use Menendez's legal troubles to tar other Democrats like Sherrill across the state.

Democratic California Sen. Dianne Feinstein won renomination, although it was unclear whether she'll face a Republican or a Democrat in November.

Much of the day's drama focused on women, who fought to make history in some cases and to avoid disaster in others.

In Alabama, four-term Republican Rep. Martha Roby was forced into a runoff election next month after failing to win 50 percent of her party's vote. She will face former Democratic Rep. Bobby Bright in Alabama's conservative 2nd district — where Trump loyalty has been a central issue.

Roby was the first member of Congress to withdraw her endorsement of the Republican president in 2016 after he was caught on video bragging about grabbing women's genitals.

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