



PRESS RELEASE

CEPR Deficit Calculator Deflates IOUSA Scare Story

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Washington, DC- Many viewers and reviewers of the film IOUSA wrongly believe that the United States faces a devastating budget crisis if it continues on its current path. In reality, the scare story is driven almost entirely by projections of exploding private sector health care costs. The growth of private sector costs will have a devastating impact on the budget because close to half of the country's health care expenses are paid by the government through public sector programs like Medicare and Medicaid.

A new online calculator released today by the [Center for Economic and Policy Research](#) (CEPR) is designed to make this fact clear. The [IOUSA Deficit Calculator](#) uses per person health care costs in other nations to clearly show that U.S. health care costs are the main culprit behind our projected budget deficit woes.

The calculator presents the budget deficit as a percentage of GDP over the next 70 years, with the baseline projection from the Congressional Budget Office (CBO), which plays the starring role in the IOUSA movie. The calculator then allows you to compare this baseline projection with deficit projections that are adjusted to assume that the United States has the same per person health care costs as any of more than 20 other countries, all of which enjoy longer life expectancies (in parentheses next to each country) than the United States. Users can simply check as many countries as they like in order to see what the U.S. budget deficit would be if the United States had the same per person health care costs as these countries.

"While there are serious economic issues the nation needs to be concerned about, the views presented in IOUSA are misleading and one-sided." said [Dean Baker](#), Co-Director of CEPR. "Few viewers of the film will recognize the fact that ballooning health care costs are at the heart of our budget problem, not Social Security or demographics more generally."

For further analysis of the misleading assertions found in IOUSA, please visit www.iousanotok.org or [IOUSA Not Ok](#) on the CEPR website.

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