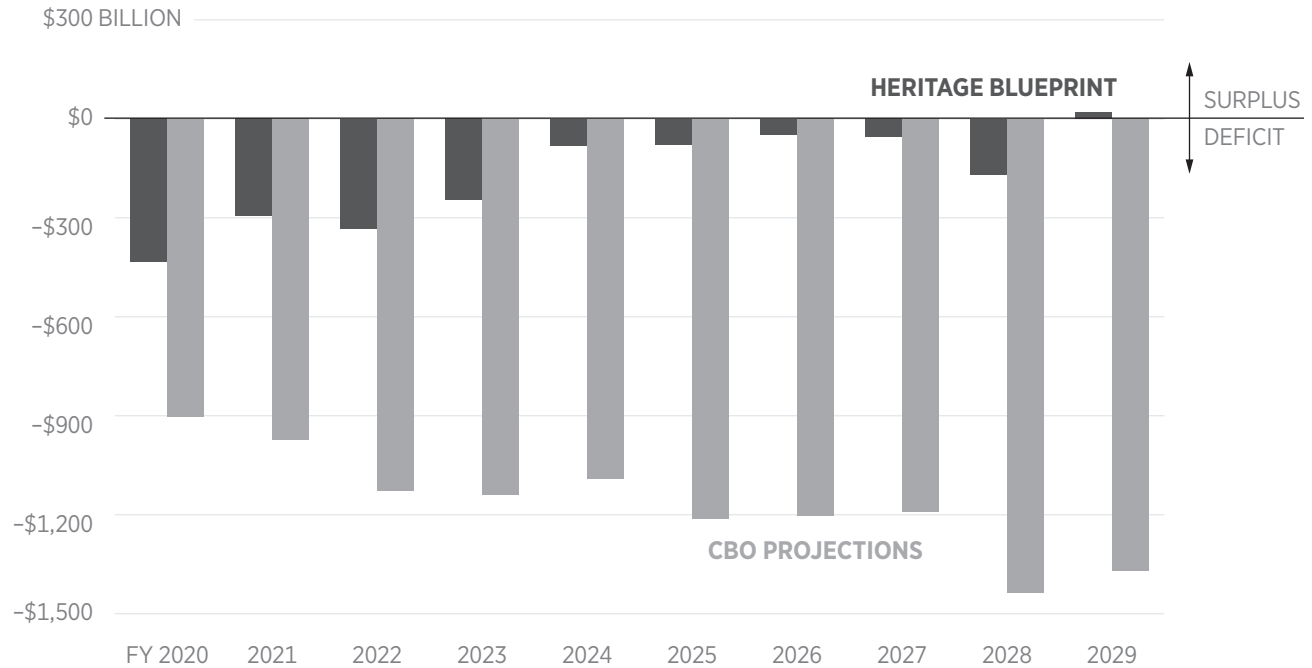


# Achieving Balance in Tables and Charts

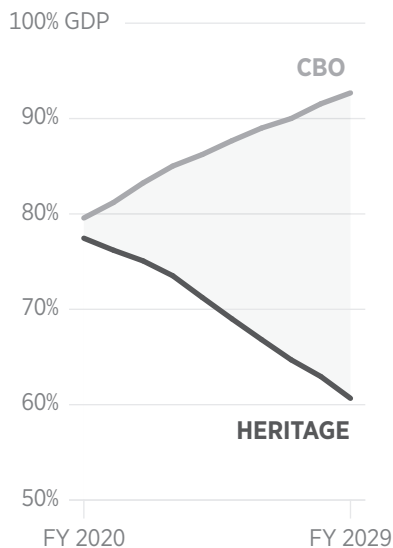
CHART 1

# Heritage Blueprint Would Save Trillions Compared to CBO Projections

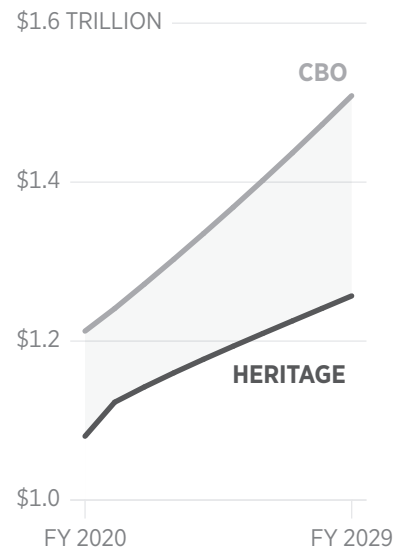
## BUDGET SURPLUS/DEFICIT



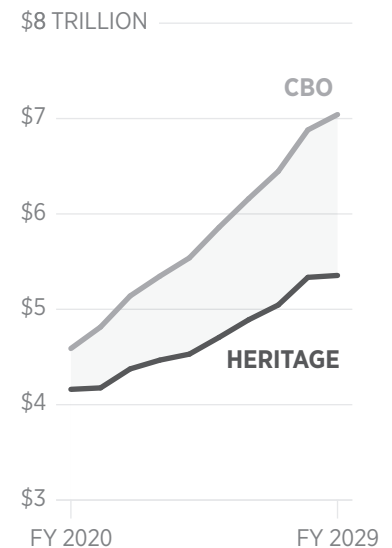
## DEBT HELD BY THE PUBLIC



## DISCRETIONARY SPENDING



## TOTAL OUTLAYS



**SOURCES:** Congressional Budget Office, "The Budget and Economic Outlook: 2019 to 2029," January 28, 2019, <https://www.cbo.gov/publication/54918> (accessed April 5, 2019), and Heritage Foundation calculations.

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TABLE 1

## How *Blueprint for Balance* Compares to CBO Projections

### OUTLAYS BY MAJOR CATEGORY (BILLIONS)

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2020-2029
Social Security	1,040	1,086	1,135	1,182	1,230	1,278	1,327	1,374	1,424	1,467	12,543
Medicare	635	673	704	742	784	837	892	952	1,025	1,107	8,351
Medicaid and Other Mandatory	821	786	866	831	775	834	886	905	1,039	909	8,653
Discretionary (Base)	1,142	1,118	1,127	1,143	1,157	1,172	1,189	1,205	1,221	1,236	11,710
Defense	671	705	727	743	758	772	786	800	815	829	7,606
Non-Defense	470	413	401	400	399	400	403	405	406	407	4,103
Overseas Contingency Operations	69	20	20	20	20	7	3	0	0	0	159
Net Interest	454	493	524	549	565	576	592	609	626	636	5,623
Total Outlays	4,161	4,176	4,375	4,467	4,530	4,705	4,890	5,045	5,335	5,355	47,039

### DEBT HELD BY THE PUBLIC

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2020-2029
Debt Held by the Public (in Billions of Dollars)	17,132	17,479	17,852	18,139	18,266	18,391	18,488	18,593	18,798	18,810	n/a
Debt Held by the Public (as Percentage of Gross Domestic Product)	77.5%	76.2%	75.1%	73.5%	71.2%	69.0%	66.8%	64.7%	62.9%	60.7%	n/a

### PROJECTED DEFICITS (BILLIONS)

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2020-2029
Outlays	4,161	4,176	4,375	4,467	4,530	4,705	4,890	5,045	5,335	5,355	47,039
Revenue	3,727	3,881	4,043	4,221	4,448	4,628	4,842	4,989	5,167	5,374	45,321
Deficit (+) or Surplus (-)	434	295	332	246	82	77	48	56	168	-19	1,718

### BLUEPRINT FOR BALANCE VS. CBO: DEFICITS (BILLIONS)

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2020-2029
Outlays	-428	-638	-765	-880	-1,009	-1,154	-1,270	-1,401	-1,546	-1,687	-10,778
Revenue	41	40	31	13	0	-19	-114	-265	-279	-298	-849
Difference	-469	-678	-796	-893	-1,009	-1,135	-1,156	-1,136	-1,267	-1,389	-9,929

### BLUEPRINT FOR BALANCE VS. CBO: DEBT HELD BY THE PUBLIC

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2020-2029
Debt Held by the Public (in Billions of Dollars)	-469	-1,147	-1,943	-2,837	-3,846	-4,981	-6,137	-7,273	-8,540	-9,929	n/a
Debt Held by the Public (as Percentage of Gross Domestic Product)	-2.1%	-5.0%	-8.2%	-11.5%	-15.0%	-18.7%	-22.2%	-25.3%	-28.6%	-32.0%	n/a

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## NOTES:

**Social Security.** For Social Security Old-Age and Survivors Insurance (OASI), the FY 2020 *Blueprint for Balance* recommends increasing the eligibility age and then indexing it for longevity, transitioning the payment to a flat anti-poverty benefit focused on individuals who need it most, replacing the current cost-of-living adjustment with the more accurate chained consumer price index, and modernizing the spousal benefit. For Social Security Disability Insurance (SSDI), the *Blueprint* recommends implementing a flat anti-poverty benefit, providing a needs-based benefit period, eliminating the GRID factors, providing an optional private DI component, ending direct payment of SSDI representatives, correcting unintended payments, and multiple proposals to improve the program's integrity and efficiency.

**Medicare.** The Medicare estimates assume a two-stage approach to fixing the program's financing. The first stage involves adding catastrophic protection to Medicare coverage, reforming Medicare's cost-sharing arrangements, creating a new temporary premium for Medicare Part A, increasing the beneficiaries' share of the premium for Medicare Parts B and D from 25 percent to 35 percent, and phasing out taxpayer subsidies completely for individual seniors with significant modified adjusted gross incomes. The first stage includes indexing the eligibility age. The second stage of the Medicare proposal involves transitioning to premium support over a five-year period, but the associated savings are not included in our overall Medicare cost estimates.

**Medicaid and Other Mandatory.** This table incorporates the Medicaid reforms specified in Chapter 2 of this book. All other mandatory spending falls under the aggregate spending cap, which is estimated by assuming that spending on the major mandatory programs is consistent with their level over the past business cycle, adjusted for population growth.

**Revenues.** The FY 2020 *Blueprint for Balance* revenue baseline uses an augmented version of the alternative fiscal scenario produced by the Congressional Budget Office (CBO). Beginning with the CBO's January 2019 current-law revenue baseline, we lowered projected revenues using the CBO's estimated budgetary effects of extending the individual and business provisions in the Tax Cuts and Jobs Act and repeal of the three yet-to-be-implemented Obamacare taxes. The Heritage *Blueprint* baseline also accounts for the additional revenue from repealing the tax credits outlined in Chapter 4.

**Net Interest.** Total net interest is based on changes in the primary deficit relative to the CBO's January 2019 baseline as well as interest rates under the CBO's January 2019 baseline. Figures may not sum to totals due to rounding.

**Discretionary (Base).** The proposal assumes that the separate spending caps for defense and non-defense discretionary spending are replaced with an aggregate spending cap. However, defense spending is assumed to grow at an accelerated level from FY 2020–FY 2021 and then by inflation each year from a base level of \$647 billion in FY 2019. (Total base budget authority for defense in FY 2020 is \$697 billion, and outlays are \$671 billion.) Non-defense discretionary spending is adjusted for the savings provided in the proposals found in Chapter 6 of this book as well as budget process reforms identified in Chapter 3, based on levels from the Budget Control Act of 2011.

**Global War on Terrorism.** Assumes \$45 billion in Overseas Contingency Operations (OCO) funds (budget authority) for FY 2020. OCO funds for the rest of the period assume that spending will be phased out over several years and funded within the base defense budget.

**SOURCE:** Heritage Foundation calculations based on data from the Congressional Budget Office's January 2019 baseline. Figures are for fiscal years.

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