

FRIDAY ALERT



Alliance for Retired Americans

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Alliance Executive Director Testifies in Front of the Fiscal Commission

On Wednesday, Alliance Executive Director **Edward F. Coyle** testified in front of the president's Fiscal Commission, which is charged with addressing the nation's national debt. Coyle conveyed to the committee's board members that retirees are deeply disturbed by the talk coming out of the Commission of cutting Social Security benefits and raising the retirement age. House Minority Leader **John Boehner** (R-OH) had said earlier this week that if the Republicans were to win control of the U.S. House, the party would try to raise the Social Security retirement age to 70 as part of a fiscal reform plan. "John Boehner's call to raise the Social Security retirement age to 70 is not only deeply hurtful and insensitive to workers, but also reflects a dangerously flawed misunderstanding of how Social Security is financed and operates," Coyle told the Commission. In response to critics who blame Social Security for America's budget deficit, Coyle challenged them to find a federal program that functions as efficiently as Social Security. Coyle proposed raising the payroll tax cap for the wealthiest Americans in order to further strengthen Social Security's financial structure. The Fiscal Commission is set to meet three more times before it drafts its recommendation for Congress and the president; July 28 is the next meeting. The House's FY 2011 Budget commits the House to vote on any Senate-passed recommendations of the bipartisan Fiscal Commission, and that net savings from any Commission recommendations will go to deficit reduction.

Alliance Disagrees with Key "America Speaks" Recommendations

Last Saturday, a group called America Speaks hosted a national town hall meeting on the federal budget deficit. The goal of the meeting was to allow regular citizens to offer their policy solutions to the country's financial troubles. Many senior advocates were upset that America Speaks, which is funded in part by billionaire and avid supporter-of-Social Security-privatization **Pete Peterson**, provided participants with misleading information before the meeting. For instance, the workbook provided failed to say that Social Security has its own source of funding and therefore does not, and has not, contributed a cent to the country's budget problems. Despite that, participants generally offered a progressive set of answers to America's financial woes. According to an America Speaks press release following the event, partakers overwhelmingly supported raising tax rates on corporate income and reducing military spending by 10-15 percent. However, America Speaks still states that raising the retirement age to 69 would be beneficial. Many retiree and retiree advocates were outraged by such a recommendation. "Raising the retirement age during this period of economic turmoil is irrational, unjust, and will force many current and future retirees into poverty," said **Barbara J. Easterling**, President of the Alliance. America Speaks conveyed their policy proposals to the Fiscal Commission at the Wednesday meeting, but Mr. Coyle strongly cautioned against following all of their recommendations during his testimony.

HHS Announces Benefits for Early Retirees, Those with Pre-Existing Conditions

On Tuesday of this week, the Department of Health and Human Services' (HHS') Office of Consumer Information and Insurance Oversight (OCIO) announced that it will begin accepting applications for the Early Retiree Reinsurance Program (ERRP). Many Americans who retire without employer-sponsored insurance and before they are eligible for Medicare are denied coverage or see their life savings disappear because of exorbitant rates in the individual market. Created by the Affordable Care Act as a bridge to the new health insurance marketplace established by the Exchanges in 2014, this \$5 billion program will provide much needed financial assistance for employers, including businesses, unions, state and local governments, and nonprofits, so retirees can get quality, affordable insurance. Until Americans have access to affordable insurance plans through health insurance Exchanges in 2014, this program will make it easier for retirees and their families to maintain their employer-based coverage. Applications for the program, as well as fact sheets and application assistance, can be found at www.hhs.gov/ociio. Yesterday, HHS officials announced the establishment of a new Pre-existing Condition Insurance Plan (PCIP) that will offer coverage to uninsured Americans who have been unable to obtain health coverage because of a pre-existing health condition.

Another Health Care Myth Debunked: Taxing Health Benefits

With so much misinformation going around about health care, it is important to continue addressing the false rumors about reform as they arise. In response to an internet scam about the tax on health benefits, **Ruben Burks**, Secretary-Treasurer of the Alliance, said this week, "There is an internet scam regarding W-2 tax forms that has been in circulation since the passage of health care reform. In the health care reform law, there is a provision that W-2s will now have a box where the employer puts the cost of a worker's or retiree's health care. Nothing is added to income. It is simply a for-your-information box and does nothing to change a person's income or taxes owed."

Alliance Loses a Friend, Senator Robert Byrd

Sen. **Robert Byrd** (D-WV), a champion of seniors' causes and the longest-serving senator in U.S. history, died on Monday at the age of 92. He spent 51 years in the Senate, having served since the **Eisenhower** administration, and had a 96% lifetime voting record with the Alliance. "Sen. Byrd was a parliamentary genius who will be greatly missed," said Ms. Easterling. Sen. Byrd will be succeeded by an appointed senator until November 2012, when West Virginia's voters will select a permanent replacement.

Retirees with the Write Stuff: Write Letter, Win Pen

"Retirees with the Write Stuff" is a project recognizing retirees whose letters to the editor are published. Most recently, **Elmer Blankenship, Del Davids, Michael Doyle, George Epstein, Dave Friesner, Shirley Gauger, Marilyn Ginsburg, Jan Howe, Larry Kitson, Joan Klips, Bruce McCullough, J.C. Phillips, Linda Pratt, and Malcolm Wright** contributed to their state and local papers. If you have had a letter published recently, please email us at letters@retiredamericans.org so that we can recognize you and send you a "Write Stuff" pen.