

FRIDAY ALERT



Alliance for Retired Americans

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Masses Protest Obama Budget Release Including Cuts to Social Security, Medicare

The Alliance joined the broad Strengthen Social Security coalition Tuesday at the White House to deliver 2.3 million petitions against the proposal to change the Social Security cost of living adjustment (COLA) to the chained CPI formula, which would cut benefits for current and future beneficiaries. President **Obama**'s budget released Wednesday outlines over \$4 trillion in deficit reduction, but headlines centered around his first-ever proposal to cut Social Security. Tuesday's action was widely covered in the media. Tens of millions of workers, seniors and disabled veterans were represented. Their message: "We must not balance the budget on the backs of the elderly, disabled vets, the sick, the women or the children." Senator **Bernie Sanders** (I-VT), headlining Tuesday's event, said, "When one out of four major profitable corporations pays nothing in federal income taxes, we know how we can deal with deficit reduction in a way that is fair." Videos from the press conference and rally can be viewed here <http://bit.ly/ZKr1Lh>.

On Thursday, House Democratic leaders dismissed President Obama's inclusion of Social Security cuts in his 2014 budget. Top-ranking Democrats including **Nancy Pelosi** (D-CA), **Steny Hoyer** (D-MD), **James Clyburn** (D-SC) and **Xavier Becerra** (D-CA) questioned the validity of changing Social Security as part of a deficit reduction package. Becerra pointed out, "Social Security has never added a penny to the deficit or the national debt ... Why you would take \$230 billion through the chained CPI by cutting benefits for seniors, veterans and the disabled?" **Edward F. Coyle**, Executive Director of the Alliance for Retired Americans said, "Federal budgets are about more than just numbers, they clearly reflect of our national priorities. It's time to ask corporations to pay their fair share and stop proposing balancing the budget on the backs of seniors, retired veterans and people with disabilities." Click here to see a new 'federal budget update' fact sheet comparing the President's proposal with the House and Senate's <http://bit.ly/YhSKfQ>.

The Alliance supports the use of the consumer price index for the elderly (CPI-E) which calculates the Social Security COLA in order to assure that the purchasing power of the benefit is maintained as beneficiaries' age and more accurately reflects retirees' expenses.

Social Security Uniquely Important to Women, Cuts Would Have Major Impact

Tuesday marked Equal Pay Day. The date symbolizes the day in the New Year that women have to work to match the income their male counterparts made in the previous year. Women are about 2/3 of minimum wage workers in this country, and more than half of women are the sole or an essential supporter of their families. "Women are disproportionately dependent on Social Security – we work longer hours at less pay; we have less savings at the end of their working lives; we are more likely to work in jobs that don't offer pensions or healthcare or even 401ks... so we rely on Social Security," said **Terry O'Neill**, National Organization for Women President said.

Alliance members like **Barbara Stone** in Nevada can tell you what it means to earn less, sometimes half the wage that her male colleagues earned, and to live solely on income from Social Security. Ms. Stone raised 5 children on her own and contributed to Social Security throughout a long life of work which began at 13 years old. In light of recent proposals to cut Social Security or switch to the chained CPI COLA formula, Barbara Stone said, “We cannot let it happen.” Click here to see how the chained CPI translates to weeks of food lost to single elderly women: <http://on.fb.me/110j6VH>.

Leah Witherspoon, Chair of the Dallas chapter of the Texas Alliance, was profiled in a national article this week about the chained CPI. Read it here: <http://reut.rs/YhGVX5>

As Americans Prepare for Tax Day, Big Pharma Pockets Billions in Profits from Taxpayers and Seniors

The 11 largest drug companies took \$711.4 billion in profits over the past 10 years, according to an analysis of corporate filings by Health Care for America Now (HCAN). The global pharmaceutical industry derived much of that profit from the significant charges to the Medicare Part D prescription drug program for seniors and people with disabilities. Thanks in part to inflated costs paid by the Part D program, the 11 drug companies booked \$76.3 billion in profits in 2006 – an extraordinary 34 percent increase from the previous year, when Part D was not yet in place. Medicare — the largest purchaser in the world’s largest drug market – is prohibited by law from negotiating better drug prices.

Americans pay the highest drug prices in the world. “The drug industry’s profits are excessive as a result of overcharging American consumers and taxpayers,” said **Ethan Rome**, HCAN’s Executive Director. “During this period, as millions of Americans struggled to afford their medicines, Republicans in Congress have threatened to cut seniors’ benefits while refusing to consider commonsense measures to get a better deal from drug companies.” More here:

<http://huff.to/10X8sir>. The Congressional Budget Office indicates that allowing Medicare to negotiate the same bulk purchasing discounts on prescription drugs as Medicaid or the VA would save the federal government \$137 billion (<http://1.usa.gov/YqtV5X>).

According to Americans for Tax Fairness, Pfizer paid no U.S. income taxes from 2010 to 2012 while earning \$43 billion worldwide. It did this partly by performing accounting acrobatics to shift its U.S. profits offshore. Instead, it received \$2.2 billion in federal tax refunds. The offshore profits amounted to \$73 at the end of 2012, on which Pfizer paid no U.S. income taxes. “If only Pfizer were the exception and not the rule,” said **Ruben Burks**, Secretary-Treasurer of the Alliance for Retired Americans.

Eye Drops Could Cure Macular Degeneration, a Leading Cause of Blindness

According to a new study from the Washington University School of Medicine, eye drops intended to lower cholesterol could have an additional effect – curing macular degeneration, which is the leading cause of blindness in Americans over the age of 60. The study found that the eye drops successfully cure macular degeneration in mice. This research still needs to be tested in humans, but it could potentially have an impact on how macular degeneration is treated. To read CBS News’ write up of the study, go to <http://tinyurl.com/czthskr>. Although research is still in the early stages, it is encouraging. Finding a successful cure for macular degeneration would improve the quality of life for millions of seniors.

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