

# FRIDAY ALERT



**Alliance for Retired Americans**

815 16th Street, NW, Fourth Floor • Washington, DC 20006 • 202.637.5399

[www.retiredamericans.org](http://www.retiredamericans.org) • [aracommunications@retiredamericans.org](mailto:aracommunications@retiredamericans.org)

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## **Grand Bargain: A Possible Scenario**

On Tuesday, *Forbes* magazine's online site offered a write-up on the likelihood of a "grand bargain" between Democrats and Republicans that would shrink the national deficit but cut earned benefits for seniors. Available at <http://tinyurl.com/czo72e2>, it was written by **Bob Rosenblatt**, a writer and editor specializing in aging issues. He is also a senior fellow at the National Academy of Social Insurance, a think tank dealing with Social Security and Medicare. The article addresses issues including a possible cut in your annual Social Security cost-of-living increases, as well as an increase in the age of eligibility for Medicare, from today's 65 to 67, and explains the latest tweaks in the plan of Fiscal Commission co-chairs **Alan Simpson**, a former Republican senator, and **Erskine Bowles**, a former Clinton White House chief of staff.

President **Obama's** 2014 budget proposal calls for cutting the size of Social Security's annual cost-of-living benefit increases by switching to the chained CPI (Consumer Price Index) starting in 2015. The chained CPI grows, on average, about 0.3% a year more slowly than the standard CPI, meaning the president's proposal would cut Social Security benefits by roughly \$230 billion over 10 years. Obama recently ruled out raising Medicare's eligibility age from 65 to 67, but Republicans favor it.

Asked if he believes Republicans would raise taxes in order to cut seniors' benefits, **Len Nichols**, director of the Center for Health Policy Research and Ethics at George Mason University said, "If they want the deal, they'll give on revenues. If not, they will try to use the chained CPI as a wedge to drive the Democratic Party away from the president." A new fact sheet and graph from the group Social Security Works explains what the chained CPI would mean. Go to <http://tinyurl.com/d4gjvfd> to view it.

## **Tell Your U.S. Senators to Co-Sponsor the Resolution Opposing the Chained CPI**

Last week, Alliance members helped drive an increase in the number of co-sponsors for the **Cicilline** Resolution. This House Resolution expresses clear opposition to using the Chained CPI to calculate cost-of-living adjustments (COLAs) for Social Security benefits. This week, the Alliance is doing the same in the Senate. We are encouraging our members to write their Senators and urge co-sponsorship of the Senate version of the Cicilline Resolution, S. Con. Res. 15, which has been introduced by Senators **Tom Harkin** (D-IA), **Bernie Sanders** (I-VT), and **Sheldon Whitehouse** (D-RI). For a list of Senators who are already co-sponsors, go to <http://tinyurl.com/ckogdz8>. If you have not done so yet, and would like to send a letter to your Senators urging them to become co-sponsors, go to <http://tinyurl.com/bvvoomx>. To see the Alliance letter from headquarters, sent Monday and urging all U.S. Senators to co-sponsor the resolution, go to <http://tinyurl.com/cvexrn4>.

## **House Democratic Caucus' Seniors Task Force Re-Launches**

On Wednesday, the House Democratic Caucus re-launched its Seniors Task Force, an initiative to raise awareness on issues that matter most to America's seniors and work to protect and strengthen

vital services that the aging population has earned through a lifetime of hard work. The Task Force, co-chaired by Reps. **Jan Schakowsky** (IL) and **Doris Matsui** (CA), announced that it will host its first meeting of the 113th Congress this week. The Task Force already has 38 members and expects to welcome more. For additional information, watch the video at <http://tinyurl.com/crokt2t>.

“The Task Force is a key weapon against attempts to cut seniors’ earned benefits and reduce their retirement security,” said **Barbara J. Easterling**, President of the Alliance.

### **Senate Votes to End Air Traffic Controller Furloughs; Other Sequester Cuts Remain**

Yesterday, the U.S. Senate unanimously passed a bill to end the furloughs of air traffic controllers. The bill would allow the U.S. transportation secretary to move \$253 million from other programs in order to pay the air traffic controllers to work full time. This flexibility was not previously possible due to the across the board nature of the sequester cuts. The House of Representatives is expected to approve the measure. For more on the vote, read NPR’s write up at <http://tinyurl.com/c2o2jb9>.

“While we are pleased that the Senate has taken action to end the furloughs, piecemeal fixes and moving money around will not fundamentally change the impact of the sequester,” said **Edward F. Coyle**, Executive Director of the Alliance. “Until legislation is passed to repeal all of the sequester cuts, many programs vital to seniors, including meals on wheels, cancer clinics, and medical research, will remain crippled due to lack of funding.”

### **Scams are tied to Confusion over Health Care Reform**

Law enforcement agencies are reporting an increase in health insurance scams across the country. Many of the fraudsters seem to be preying on the public’s confusion over the massive changes taking place in the nation’s health care system. According to Kaiser Health News, seniors are often targets -- they’re more likely to be home to answer the phone, and they tend to have retirement savings that scammers hope to tap. But they aren’t the only victims: The federal government received nearly 83,000 complaints of “imposter scams” last year—up 12 percent from the year before (<http://tinyurl.com/bpdlbq4>).

“Don’t take calls from people you did not initiate contact with, who are offering to help you with your health care needs,” advised **Ruben Burks**, Secretary-Treasurer of the Alliance. “And definitely don’t give them any personal information.”

### **Alliance Leadership Travel**

Mr. Coyle was in New York on Wednesday for the New York City Alliance membership meeting. “I thoroughly enjoyed the enthusiastic question and answer session,” said Mr. Coyle. “It was wonderful to have such a great turnout.”

#### **Did You Know...**

“Opponents of any change in the Social Security CPI have collected 2.4 million signatures and are keeping the pressure on the White House.” (*Forbes*, referring to petitions opposing the chained CPI).