

FRIDAY ALERT



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Alliance, AFGE, Acting SSA Commissioner Detail Sequester Effect on Social Security

Alliance President **Barbara J. Easterling** co-authored an op-ed in *Huffington Post* last week with **Witold Skwierczynski**, President of the American Federation of Government Employees National Council of Social Security Administration (SSA) Field Operations Locals, on the impact of the sequester on the SSA. The Locals represent about 25,000 Social Security employees in field offices and telephone centers nationwide.

“Two straight years of budget cuts and hiring freezes have crippled Social Security's ability to handle dramatic workload increases, and the additional cuts required under sequestration will cause further erosion,” the two stress. “Office hours nationwide have been slashed by 23 percent, which has had a detrimental effect on processing new claims. In most offices, citizens have to wait more than 30 days to get an in-person meeting or telephone interview to file benefit applications or complete appeal requests. The odds of getting a busy signal when calling the toll-free number have tripled in the past six months alone, with 16 percent of citizens unable to reach even the automated menu when they call.” To see the whole piece, go to <http://tinyurl.com/cltleoe>. To see a letter from Acting Social Security Administration Commissioner **Carolyn W. Colvin** detailing what the cuts would mean – including longer waits and shorter hours - go to <http://tinyurl.com/cxy28oo>.

An article in *The Los Angeles Times* recently specified the ways in which the sequester would seriously affect health care. According to the article, “Although the Medicare program will account for the largest chunk of dollars cut from health care simply because of its great size, the scheduled 2% reduction in its payments to doctors and hospitals is significantly smaller than what many public health and research programs face.” To read more, go to <http://tinyurl.com/buqpr3y>.

Senator Bernie Sanders Reintroduces “Keeping Our Social Security Promises” Act

On Thursday, Sen. **Bernie Sanders** (I-VT) reintroduced S. 500, the “Keeping Our Social Security Promises Act” in the Senate. Rep. **Peter DeFazio** (D-OR) introduced a companion bill in the House of Representatives, H.R. 1029. This legislation would require those making incomes over \$250,000 to contribute their fair share to Social Security. Currently, Americans who make over \$113,700 do not have to pay Social Security payroll contributions on any income exceeding that amount. The result is that ordinary Americans pay a much larger share of their incomes into Social Security than the wealthiest Americans do. Rectifying this unequal pay rate will strengthen Social Security by ensuring its solvency for the next 50 years – all without cutting Social Security benefits.

“The Alliance strongly endorses this important legislation,” said **Edward F. Coyle**, the Alliance’s Executive Director. “At a time when far too many are trying to weaken Social Security by pushing misguided benefit cuts, it is encouraging to see lawmakers introduce a bill that instead takes the positive step of increasing contributions into Social Security so that the program will be sure to

remain strong for our children and grandchildren.” To see the Alliance letter supporting the legislation, go to <http://tinyurl.com/bqekpep>.

Health Insurers Launch Ad Campaign over Medicare Advantage Cuts

The health insurance industry is escalating its lobbying battle against a proposed Medicare Advantage pay cut to insurers by launching a television and online advertising campaign to garner public support among the program's 14 million beneficiaries. According to Reuters, America's Health Insurance Plans (AHIP), a leading Washington-based trade group, said a 30-second commercial titled "Too Much" would be shown in a dozen states and the Washington, D.C., area in hopes of dissuading the **Obama** administration from imposing a 2.3 percent cut in government payments next year. The ad buy was launched on Wednesday on cable TV in the Washington, D.C., area. Ads with state-specific Medicare Advantage enrollment numbers will also air in New York, Louisiana and Pennsylvania, where the plans are popular.

“The cuts are justified,” said Mr. Coyle. “We had been bestowing government subsidies on insurance companies for too long, and we cannot afford to do that anymore.”

Viral Video Shows the Shocking Reality of Wealth Inequality in the United States

A web video that demonstrates the extent of wealth inequality in the United States went viral this week, as sequester cuts began to take effect. The video, uploaded by an anonymous YouTube member last December, has been viewed nearly four million times. The narrator presents a series of charts that illustrate wealth inequality. Viewers learn that the top 1% of Americans control 40% of the country's wealth, while the bottom 80% has only 7% of the wealth. The narrator explains that when Americans are surveyed, they believe that the wealth distribution is far more equal than it actually is, but 92% still want an even more equal distribution. Go to <http://tinyurl.com/cpn2oe3> to see the video. The *Mother Jones* article the video was based on is at <http://tinyurl.com/c5z46cd>.

“This video illustrates why the sequester is a bad idea,” said **Ruben Burks**, Secretary-Treasurer of the Alliance. “The sequester is forcing cuts to many vital programs for the needy, including Meals on Wheels for impoverished seniors. If House Republican Budget Committee Chair **Paul Ryan** gets his way and Medicare and Social Security are cut instead of raising taxes on the top 1%, ordinary Americans would wind up with an even smaller share of the country's wealth.”

California Senior Dies after Nurse Refuses to Perform CPR

Lorraine Bayless, an 87-year-old woman from California, died on February 26th after collapsing in the dining room of a retirement home. She lived in the home's independent living facility. After she collapsed, a bystander called 911 and passed the phone to a woman claiming to be a nurse, who was instructed to perform CPR. The woman responded that the facility's policies prevented her from performing CPR on a resident. California lawmakers are considering passing legislation to ensure that a tragedy like this does not happen again. To read the *Huffington Post*'s write up of the story, go to <http://tinyurl.com/d4mp48r>.

“We can learn from this tragedy,” said Ms. Easterling. “When you are searching for a new place to live, take into account not just the amenities, but also what their policies are in a health emergency situation such as this one.”