

# FRIDAY ALERT



**Alliance for Retired Americans**

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## **Alliance Participates in White House Health Care Summit**

President **Barack Obama** stepped up his effort to pass health-care-reform legislation this week, naming a new Secretary of the Department of Health and Human Services (HHS) and hosting a White House summit to discuss solutions to the issues at hand. On Monday, the president announced Kansas Governor **Kathleen Sebelius** as his choice to head HHS. The same day, he named **Nancy Ann Min DeParle**, who served as a top health official in the Clinton administration, the new director of the White House Office on Health Reform. The President hosted a White House summit on how to overhaul the health-care system on Thursday, with approximately 120 invited members of Congress, advocates from non-profits, and others gathering to discuss the road forward. Alliance Executive Director **Edward F. Coyle** was one of the advocates in attendance.

Rather than craft health care legislation on its own, the administration is offering a set of principles to shape a process in which all stakeholders will make concessions. As an opening maneuver, Obama set aside \$634 billion in his proposed budget to be dedicated to health reform. The 10-year reserve fund could be used to provide health insurance to some of the 46 million Americans who do not have it today. To raise that money, Obama would cut itemized tax deductions for the wealthiest Americans and trim federal payments to hospitals, home health aides, drug manufacturers and some physicians. White House budget director **Peter Orszag** said on Sunday that he wants to see the effort offset with tax increases or spending cuts so it does not add to the deficit, according to *The Wall Street Journal*. The White House proposal contains numerous elements that are likely to come under debate, including whether businesses should be required to provide insurance to workers and whether Americans should be required to sign up for insurance. A Democratic proposal to set up a public program to compete with private health-insurance companies is also under discussion. Next up will be Senate confirmation hearings for Gov. Sebelius, who was a two-term state insurance commissioner before becoming governor. Said Mr. Coyle, “The Alliance for Retired Americans believes that any health care reform passed by Congress must: allow Medicare to negotiate volume discounts with drug manufacturers; close the ‘donut hole’ in Medicare Part D coverage; and provide early retirees age 55-64 the option to purchase Medicare coverage. I look forward to working with my fellow Summit attendees and the Obama administration to improve health care for current – and future – retirees.”

## **Bill Would Raise Lifetime Health Insurance Caps to \$10M**

A bill to increase the lifetime health insurance caps affecting more than half of all private plans in the U.S. has been introduced in both the U.S. House and Senate. Introduced last month by Reps. **Anna Eshoo** (D-CA) and **Jim Langevin** (D-RI) as H.R.1085 in the House, and by Sens. **Byron Dorgan** (D-ND) and **Olympia Snowe** (R-ME) as S.442 in the Senate, the “Health Insurance

Coverage Protection Act” would raise the minimum cap to \$10 million. This is the second time the legislation has been introduced by Eshoo and Dorgan. Currently, once a beneficiary’s health care costs total a certain amount, a person is dropped from the insurance plan and forced to pay all of their health expenses out of pocket; to try to qualify for Medicaid; or to find free care from hospitals. A dangerous problem for those with chronic illnesses or disabilities, caps are also expensive for taxpayers who pay for the government programs people with these illnesses must turn to when they lose their health insurance. “As health care costs continue to rise, lifetime insurance maximums will become increasingly important to everyone,” said **Barbara Easterling**, President of the Alliance. “As part of the comprehensive health care reform that is needed, lifetime caps must accurately reflect the real costs of care in this country.”

### **AFL-CIO Executive Council Calls for SSA Commissioner Astrue to Step Down**

On Tuesday, the AFL-CIO Executive Council issued a statement urging either that **Michael J. Astrue**, Commissioner of the Social Security Administration (SSA), step down, or that President Obama act to remove him from his post. **President Bush** appointed Astrue in 2006 for a six-year term. However, the Executive Council argues that he should be removed from this post early, because his policies do not support the improvement of the SSA as a whole. The Executive Council further argues that Astrue’s policies, such as refusing to work with SSA employee unions, have negatively affected workforce relations for staff. “Mr. Astrue’s policies, which include encouraging undue haste in disability hearings and decreasing staff who advise claimants, have also increased fraud, overpayments and dissatisfaction with the SSA itself,” said **Ruben Burks**, Secretary-Treasurer of the Alliance. The Executive Council declared Astrue should be replaced by an official who supports SSA employee relations and improved service for beneficiaries.

### **Open Enrollment for Alliance’s Retiree Health Plan**

The Open Enrollment for the Alliance's Retiree Health Plan is underway, and members can enroll now. Don’t wait! The open enrollment period is scheduled to end on March 31, 2009. During this period, Medicare-eligible retirees and their spouses are guaranteed acceptance with no waiting periods regardless of pre-existing health conditions. Visit [www.araretireehealth.com](http://www.araretireehealth.com) for further details or call 1-866-298-9117 to receive your Free Retiree Health Information Kit and your open enrollment application. No agent will call you - everything is handled through the mail.

### **FLARA Makes a Difference in Housing, Health Care**

Kudos to the Florida Alliance for Retired Americans (FLARA), as both the Florida House of Representatives and the Florida State Senate are addressing two of FLARA's top priorities, affordable housing and health care. The state House is taking on affordable housing for seniors with House Bill 637. The identical content of that bill, which had been introduced in the Senate as Senate Bill 912, is now included in Senate Bill 2148, a larger growth management bill. In addition, FLARA President **Tony Fransetta** and the members of the FLARA were influential in advocating for the introduction of state House and Senate memorials HM 1061 and SM 2642, which urge Congress to pass legislation that establishes a national universal health care program with a comprehensive range of benefits.