

# 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) • [arafridayalert@retiredamericans.org](mailto:arafridayalert@retiredamericans.org)

May 15, 2009

## Coyle Says Not to Overreact to Trustees Reports

The financial health of Social Security and Medicare has worsened because of the severe recession, according to Trustees Reports released on Tuesday. However, Alliance leaders cautioned the public not to panic. “The impact of the recession on the Social Security and Medicare Trust Funds underscores the critical need to support President **Obama’s** plans to reform health care and create a lasting economic recovery. Putting more Americans back to work will send more money into these Trust Funds, and a universal, more efficient health care system will alleviate the severe strain that our health care crisis imposes on both families and employers,” said **Edward F. Coyle**, Executive Director of the Alliance. “Current and future retirees should be suspicious of ‘sky is falling’ predictions of doom for Social Security and Medicare,” he continued. “These warnings mask an ongoing ideological agenda to cut benefits to current and future retirees.” The trustees of the two programs said on Tuesday that Social Security will start paying out more in benefits than it collects in taxes in 2016, one year sooner than projected last year, and that the Social Security Trust Fund is solvent through 2037, four years earlier than projected in 2008. Medicare trustees said that program would pay out more in benefits than it collects this year, and currently has enough funds through 2017, two fewer years than projected last year.

## Older Americans Month Approaches Week Three

May is Older Americans Month, and all month the Alliance is drawing attention to retirees’ stake in the health care debate. Last week, Alliance activists wrote letters to the editor and contacted their members of Congress about long term care and the “CLASS (Community Living Assistance Services and Supports)” Act. Week Three of Older Americans Month kicks off on Monday, with the focus that week on the taxation of benefits and the elimination of subsidies for private insurers through Medicare Advantage. Plans for funding health care reform will be taking shape in the Senate Finance Committee during those days. “Thank you to Alliance members across the country who have joined our effort this month,” said **Barbara J. Easterling**, President of the national Alliance. “The taxation of health care benefits unfairly penalizes employers who ‘did the right thing’ by offering benefits, and equally penalizes the retirees and workers who receive them. We need to send that message to lawmakers,” she added. For more information, including fact sheets and talking points, click on [www.retiredamericans.org/ht/d/sp/i/12770/pid/12770](http://www.retiredamericans.org/ht/d/sp/i/12770/pid/12770). The Florida Alliance (FLARA) has been working with community organizations during Older Americans Month in hosting town hall meetings, with a theme of “Take America Back.” FLARA President **Tony Fransetta** led meetings in Ft. Myers and Stuart, Florida this week.

## Leading Groups in Health Care Industry Offer to Reduce Growth, Cut Costs

Leaders in the health industry have pledged to slow the rise in health care costs by 1.5 % a year, saving a projected \$2 trillion in the next decade, reports *The Washington Post*. The offer provides

momentum for reforming the nation's health care system, and signals cooperation among leading health insurers, hospitals, drug manufacturers and the Service Employees International Union. Alliance Secretary-Treasurer **Ruben Burks** said, "We are optimistic that all stakeholders in the health care industry will work together to enact new health care options for Americans this year."

### **Retirement Security Less Likely for Women than Men**

A report issued by the National Institute on Retirement Security this month examines the greater challenges women face in preparing for their retirement. The major contributing factors to the disparities are women's lower wages and longer life expectancies. The report claims that because of a longer life expectancy, a woman with an annual income of \$50,000 would need to save \$1,000 more toward retirement every year than her male counterpart to have an equal retirement experience. However, as of 2007, women earned about 76 cents for every \$1 earned by men, which makes saving money more difficult for many women. Women also have limited access to retirement plans through their employers; men are nearly twice as likely as women to have retirement accounts. The report urges women to have a combination of traditional pensions, supplemental 401(k)-type savings and Social Security to reduce their risk in retirement.

### **Social Security Stimulus Money Targeted by Scam Artists**

Seniors waiting for their \$250 Social Security stimulus money should be wary of scammers taking advantage of confusion over the benefit. Most Social Security and Supplemental Security Income beneficiaries will automatically receive the one-time stimulus the same way they receive their regular monthly payment, either by direct deposit or by debit card or paper check. The main exception is Social Security recipients who are also employed; they will instead see a reduction in paycheck withholding throughout the year. The first payments went out on May 7, and all should be distributed by June 4. *The Pittsburgh Post-Gazette* warns Social Security recipients not to respond to any emails or phone calls asking for their bank account number or other personal information to "verify" that the recipient qualifies for the payment. Other emails ask recipients to pay a fee to apply for the stimulus money. Suspected fraud should be reported to the Social Security Fraud hotline at 1-800-269-0271. If you do not receive an expected payment by June 4, call the Social Security Administration at 1-800-772-1213 after that date.

### **Nevada Alliance Joins Coalition to Speak Out Against Drastic Budget Cuts**

Thirteen organizations, including the Nevada Alliance and the Nevada AFL-CIO, have formed the "Save Our State" Coalition to bring attention to proposed budget cuts in health care, senior services and other important programs in Nevada. On May 4, over 100 people attended a rally at the State Legislative Building in Carson City, where Nevada Alliance President **Scott Watts** spoke about the important services that Governor **Jim Gibbons** has proposed cutting.

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

Hospitals are required to give Medicare patients at least 24 hours notice before discharge (*The New York Times*).