

FRIDAY ALERT



Alliance for Retired Americans

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

202.637.5399 • www.retiredamericans.org • arafridayalert@retiredamericans.org

September 4, 2009

Obama to Address Joint Session of Congress on Health Care

President Obama plans to address a joint session of Congress this Wednesday night in an effort to rally support for health care legislation. Administration officials said this past Wednesday that the President would be more specific than he has been to date about what he wants included in the plan. Obama is also expected to emphasize the need for federal subsidies to make insurance affordable to millions of lower-income people. In addition, the President and his top aides have stepped up talks with moderate Republican **Sen. Olympia Snowe** of Maine on a scaled-back health care bill, according to CNN and two sources familiar with the negotiations. The compromise plan would lack a government-run public health insurance option, but would leave the door open to adding that provision down the road under an idea proposed by Snowe. The modified proposal would include insurance reforms, such as preventing insurance companies from denying coverage to people with pre-existing conditions. The potential deal would give insurance companies a defined period to make such changes in order to help cover more people and drive down long-term costs. But if those changes failed to occur within the defined period, a so-called "trigger" would provide for creating a public option to force change on the insurance companies. Snowe is pivotal to the debate because she may be Obama's last possibility for getting a Republican senator to support his push for a health care overhaul. Getting some Republicans to sign onto a proposal would improve Obama's chances of gaining the support of key moderate Democratic senators such as **Ben Nelson** of Nebraska, **Mary Landrieu** of Louisiana and **Blanche Lincoln** of Arkansas. "The Alliance position remains the same," said **Barbara J. Easterling**, President of the Alliance. "A public plan option is vital in order for this country to contain its health care costs."

Republican National Committee Targets Seniors With Misleading Ad Campaign

On Tuesday, the Republican National Committee launched a new television ad campaign touting their "Seniors' Health Care Bill of Rights," in which they target seniors and criticize President Obama's proposed health care overhaul. The ads, set to run in Florida and on the national cable networks, attack the Democratic plan for health care reform by falsely asserting that it would cut Medicare, ration health care based on age, involve the government in end of life decisions, and put bureaucrats between patients and their doctors. In response to the ad campaign, **Edward F. Coyle**, Executive Director of the Alliance, stated, "Today is yet another day in the parade of lies and fear being peddled by **Michael Steele** and his Republican National Committee. Aided and abetted by the insurance industry, this campaign tries to scare already-anxious seniors who have been repeatedly misled in this health care debate. Older Americans have much to gain from health care reform, but you would never know it if all you did was listen to Michael Steele and Fox News." Mr. Coyle made his points while on a conference call with reporters, **Rep. Debbie Wasserman-Schultz** (D-FL), and other senior advocates.

CBO Numbers Show U.S. House's Health Care Reform Bill is Good for Seniors

As a result of health legislation moving through the U.S. House, many Medicare beneficiaries would see their total spending on prescription drugs decline, but they would often have to pay higher premiums for their prescription drug coverage, the Congressional Budget Office (CBO) said in a recent report. As reported by *The New York Times*, premiums for drug coverage would rise by an average of 5% in 2011, beyond the level expected under current law, and the increase would grow to 20% in 2019. However, beneficiaries' spending on prescription drugs apart from those premiums would fall, on average, as would overall prescription drug spending, which includes both premiums and cost-sharing. In addition, the drug-related provisions of the House bill would save the federal government \$30 billion from 2010 to 2019. The House bill would require drug companies to provide more substantial discounts, or rebates, on medications dispensed to people with low incomes who are enrolled in both Medicare and Medicaid. It would also require drug makers to provide 50% discounts on brand-name drugs while beneficiaries are in the doughnut hole, until the coverage gap is eliminated.

New Study Reinforces the Need for Employee Free Choice Act

Young workers today are significantly less likely to have health care or economic security than they were 10 years ago, and one-third live in their parents' home, according to a new national survey, *Young Workers: A Lost Decade*, released by the AFL-CIO at its annual Labor Day briefing on Tuesday. The AFL-CIO and its 3-million member community affiliate, Working America, commissioned the national survey of 1,156 workers, which included 602 young workers and was conducted by Hart Research Associates in late July. The full report is available at www.youngworkers2009.org. The survey found that 31% of young workers report being uninsured, up from 24% ten years ago. The survey also found that a mere 47% of today's young workers have retirement plans at work, compared with 53% in 1999. To help reverse these trends, over 100,000 union members will make a push for health care and the Employee Free Choice Act at celebrations around the country this Labor Day weekend. "The Alliance is working hard to pass this bill because it will help future retirees. We worry about our children and grandchildren, and if we can help workers live better, we will help them retire better," said **Ruben Burks**, Secretary-Treasurer of the Alliance.

Alliance Activity: August Recess Not Over Yet!

The Alliance's August congressional recess activities are continuing at full-speed into September, as Alliance members took part in more than thirty events this past week in 14 states. The actions included marches to the offices of Senators and Members of Congress, town halls, and educational forums. On Monday in St. Louis, the Missouri Alliance sponsored a "Retirees' Stake in Health Care" forum. The Alliance's Director of Field Mobilization, **Dani Pere**, spoke on behalf of the Alliance and outlined legislation that benefits seniors. A crowd of more than 70 people engaged in 45 minutes of questions and answers. On Thursday, **Richard Fiesta**, Director of the Alliance's Department of Government and Political Affairs, spoke at a press conference with **Rep. Xavier Becerra** (D-CA), also explaining how insurance reform will improve health care for seniors.