

FRIDAY ALERT



Alliance for Retired Americans

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Baucus' Health Care Reform Bill Criticized by Senior Advocates

On Wednesday, Sen. **Max Baucus** (D-MT), Chairman of the Finance Committee, brought out the committee's version of national health care reform – an \$856 billion, 10-year measure that starts a bumpy journey through the Senate without any Republican support. “The proposal's strong points are vastly outweighed by its shortcomings,” declared **Edward F. Coyle**, Executive Director of the Alliance. “For starters, there is no public plan.” Many senior advocates agree that the Finance Committee bill's reliance on “health care co-ops” as an alternative to a public option fails to put pressure on private insurers to control health care costs, since there is no history or logic behind the claim that health care co-ops would provide real competition for giant private insurers. Along with dropping the public health insurance option - which is part of the House bill (H.R. 3200) and the Senate Health, Education Labor and Pension (HELP) committee bill - the Baucus bill also taxes some health plans and individuals who fail to buy private insurance, while providing no penalties to employers who do not provide coverage. Sen. **Jay Rockefeller** (D-WV) attacked Sen. Baucus' bill, questioning the chairman's decision to conduct months of bipartisan talks that failed to win a single Republican backer, while shutting out Democrats on the committee. On the positive side for seniors, in order to have their drugs covered under Medicare, manufacturers must provide a 50% discount off the negotiated price for brand-name drugs covered on plan formularies beginning in 2010 when beneficiaries enter the “doughnut hole” coverage gap. Also beginning in 2010, the bill would eliminate out-of-pocket costs for recommended preventive services for Medicare beneficiaries.

In Alliance Video, Lynda Bird Johnson Robb Says Medicare is Being “Maligned”

In a special videotaped message made for the Alliance, **Lynda Bird Johnson Robb**, the daughter of former President **Lyndon Baines Johnson**, is speaking out about health care reform. She states with concern that Medicare, which was signed into law by her father in 1965, is being “maligned” in the health reform debate. The videotape debuted at an Alliance town hall forum on Tuesday in Pittsburgh that was attended by more than 500 retirees. The video also includes the words of Alliance President **Barbara J. Easterling** and AFSCME President **Gerald W. McEntee**. Go to the Alliance web site or click on http://www.youtube.com/watch?v=vrfRV-_832I to see the remarks of all three speakers. In Mrs. Johnson Robb's remarks, she states that she is distressed at the tone of the health care reform debate, and says unequivocally that her father would consider insuring all Americans the missing piece of the American social contract. She goes on to introduce footage of a speech by the recently deceased Sen. **Ted Kennedy** (D-MA), who is seen telling an audience that health care is a fundamental right, not a privilege. In their remarks, Easterling and McEntee refute many of the myths about health insurance reform, sending the message that seniors would win if reform passes. They state that health reform will improve Medicare by saving money, and will not lead to socialized medicine, the rationing of health care,

or “death panels.” To see a video link of only Lynda Bird Johnson Robb's remarks, go to <http://www.youtube.com/watch?v=uPAF0HAIQ0c>.

Richard Trumka is Elected New AFL-CIO President in Pittsburgh

The AFL-CIO Convention in Pittsburgh this week showcased retirees’ vital role in the labor movement. Ms. Easterling gave a major speech to the convention on the political power of the retiree movement, particularly in this year's health care debate. She inspired union members young and old saying, "We can pass the Employee Free Choice Act. We can reform health care. We can change this country. This can be our lasting legacy." The Alliance Town Hall meeting on Tuesday in Pittsburgh [<http://www.post-gazette.com/pg/09260/998457-55.stm>] gave the 500 retirees in attendance an update on the health care debate plus key materials to help them educate and mobilize at the grassroots level. Their charge is to separate fact from fiction. Check out the ‘Mythbuster’ sheet here: <http://www.retiredamericans.org/ht/a/GetDocumentAction/i/13902>.

Richard Fiesta, Alliance Director of Government and Political Affairs, provided a legislative update, while **Dani Pere**, Alliance Director of Field Mobilization, urged attendees to take specific steps back home, such as calling talk shows and sharing fact sheets. Following the Alliance Town Hall, the retirees attended President **Obama’s** speech to the AFL-CIO. The speech opened with a powerful story of Indiana Alliance and United Steelworkers member **Steve Skvara**, and included strong support for protecting Medicare. To view the video of President Obama’s speech, click on <http://cspan.org/Watch/Media/2009/09/15/HP/A/23211/Pres+Obama+Remarks+at+an+AFLCIO+Convention.aspx>. On Wednesday, **Richard Trumka**, a very strong and early supporter of the Alliance, was elected President of the AFL-CIO. AFL-CIO delegates passed a resolution on Retirement Security, with Ms. Easterling speaking from the floor, and Mr. Trumka read a tribute to outgoing President **John Sweeney** written by former Alliance President **George J. Kourpias**. The remarks praised Mr. Sweeney for knowing “that the labor movement must retain its lifelong activists - that union members must remain part of the family, even when their working days are done” and assured Sweeney’s “commitment to retirees will be in good hands under our friend Rich Trumka.”

Sen. Sanders Introduces Bill Providing a COLA to Seniors

Unless Congress acts soon, for the first time since 1975 seniors will not be receiving a Cost-Of-Living-Adjustment (COLA) in their Social Security benefits in 2010. This would result in monthly Social Security payments dropping for millions of retirees, because Medicare prescription drug premiums, which are deducted from Social Security payments, are scheduled to increase. On Thursday, Sen. **Bernie Sanders** (I-VT) introduced the “Emergency Senior Citizens Relief Act,” legislation that would provide Social Security recipients a one-time payment of \$250 next year. The legislation Sanders introduced in the Senate and Rep. **Peter DeFazio** (D-OR) offered in the House of Representatives would apply the Social Security payroll tax on household incomes above \$250,000 and below \$359,000 in 2010. Under current law, only the first \$106,800 of earned income is subject to the payroll tax. Rep. **Carolyn McCarthy** (D-NY) also introduced a \$150 one-time payment bill last week, H.R. 3536. “Seniors need this help during the recession. I am relieved to see these bills move forward,” said **Ruben Burks**, Secretary-Treasurer of the Alliance.