

# FRIDAY ALERT



**Alliance for Retired Americans**

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October 9, 2009

## **CBO Says Senate Finance Committee Health Care Bill Would Reduce Deficit**

Senate Majority Leader **Harry Reid** (D-NV) said on Thursday that the Finance Committee will vote this Tuesday on a 10-year, \$829-billion proposal that would expand health coverage to 94% of eligible Americans while reducing the federal deficit. Sen. Reid's announcement came a day after the nonpartisan Congressional Budget Office (CBO) said the committee's version of health legislation would provide coverage to 29 million uninsured Americans, while still paring future federal deficits, by slowing the growth of spending on medical care. According to *The New York Times*, the much-anticipated cost analysis showed the bill meeting President **Obama's** main requirements, including his demand that health legislation not add "one dime to the deficit." Overall, the budget office said, the bill would reduce deficits by a total of \$81 billion in the decade starting next year. The budget office also found that the Finance Committee bill would reduce payments to private Medicare Advantage plans by \$117 billion over 10 years, and that a proposed tax on high-cost insurance policies contained in the plan would raise \$201 billion over 10 years.

The bill would establish insurance cooperatives, to compete with private insurers, but will not contain a national public option. The budget office said the co-ops would not establish "a significant market presence in many areas." The CBO report cleared the way for the Finance Committee chairman, Sen. **Max Baucus** (D-MT) to push for a panel vote. Senior White House officials are then scheduled to be in the room throughout negotiations to merge competing Senate health care bills from the Finance and Health, Education, Labor and Pensions committees. After that, the stage would be set for Democrats to take health reform legislation to the floor for debate by the full Senate later this month.

## **National Public Option Will Be in House Bill, Not Senate Finance Committee Bill**

A companion bill moving through the House would cost more than the Senate Finance Committee's bill, but would also do more to expand coverage, the budget office said. Speaker of the House **Nancy Pelosi** (D-CA) declared that the House bill would contain a public option to compete nationally with private insurance plans. "The Alliance will continue to fight for a real, national public option and against the taxation of higher-end health insurance plans," said **Barbara J. Easterling**, President of the Alliance. This Wednesday, the Illinois Alliance told Rep. **Timothy Johnson** (R) to honor overwhelming support for health insurance reform by providing a strong public option. **Barbara Franklin**, Illinois Alliance President, pointed to this September's *New England Journal of Medicine* survey regarding health care reform and the public option, which shows that seventy-three percent of the doctors in this country support a public option like Medicare as part of health care reform. Information on the event and study are here:

<http://ara.typepad.com/blog/2009/10/illinois-fill-our-doctors-prescription-congressional-event.html>.

## **Medicare Part D Premiums to Rise for Many in 2010**

Monthly premiums for Medicare beneficiaries who are enrolled in Part D stand-alone prescription drug plans will rise 11% on average, to \$38.85 in 2010, if beneficiaries opt to stay in their current plans, according to a Kaiser Family Foundation analysis of the 2010 Part D plan offerings. Up to 1.2 million people on Medicare would see monthly premium increases of at least \$10 unless they switch to a less expensive plan. Furthermore, for the first time since the Medicare drug benefit began, a majority of stand-alone drug plans (61 %) will require enrollees to meet a deductible before coverage begins. “Without real health care reform, prescription drug and medical bills will continue to break seniors’ backs,” said **Ruben Burks**, Secretary-Treasurer of the Alliance.

## **Connecticut, Iowa Alliance Members Strike Back at Humana, Sen. Grassley**

Last Friday, Connecticut Attorney General **Richard Blumenthal** requested private Medicare Advantage providers including Aetna, Anthem, ConnectiCare, HealthNet, UnitedHealth and WellCare disclose information they provided to their beneficiaries on the potential impact of health insurance reform. The request follows Humana's misleading mailings sent to Medicare Advantage customers and subsequent investigation. **Cal Bunnell**, President of the Connecticut Alliance for Retired Americans said, “The recent revelations of fear-mongering mailings by Humana, Inc. make it more important than ever to be vigilant in protecting the public interest.” This Tuesday, Iowa seniors took a stand in front of Senator **Charles Grassley’s** (R) office in Davenport. They denounced the Senator’s support of Humana’s scare tactics regarding health reform. Read about it on the AFL-CIO blog: <http://blog.aflcio.org/2009/10/02/connecticut-attorney-general-to-investigate-insurance-company-abuses/>.

The Iowa Alliance joined with others at a rally where Alliance Regional Board Member and activist **Joyce Hermanstorfer** read a letter that was then delivered to Grassley’s office. **Donald Rowen**, President of the Iowa Alliance for Retired Americans, said, “Humana mailed its Medicare Advantage recipients false information about health insurance reform, and Senator Grassley thinks that is acceptable. We are tired of seniors being misled by such scare tactics; and we are tired of Senator Grassley defending big business instead of Iowa’s seniors.” For more, click here: <http://ara.typepad.com/blog/2009/10/iowa-seniors-speak-out-against-grassley-denounce-senators-support-of-humana-scare-tactics.html>.

## **Alliance Members Still Have “The Write Stuff”**

Alliance members continue to write letters to the editor in droves during the health insurance reform debate. Writers who have had their point of view on health care and other topics published in their communities recently include: **Don Badie, Leon Burzynski, John Cardwell, Tony Fransetta, Dave Friesner, Paul McGavis, Charles Matul, Urias Meadows, John Newman, John Pernorio, Dianna Porter, Scotty Watts, and Laura Wickwar**. Thank you to all! If you have had your letter published, but are not on this list, please mail us a copy, or e-mail a copy to [letters@retiredamericans.org](mailto:letters@retiredamericans.org). You will receive a pen that says “Retirees with the Write Stuff” for helping us to amplify our message.