

# FRIDAY ALERT



**Alliance for Retired Americans**

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## Senate and House Iron Out The Differences in Their Health Reform Bills

Senate passage of its version of health reform legislation on Christmas Eve completed a historic year in Congress and in the nation's domestic policy debate. The House and Senate will still have to resolve important differences in their bills this month before they can send a final bill to President **Obama**. Whether to tax health benefits to fund coverage for the uninsured; whether to create a public insurance health plan option to hold down health costs and keep insurers honest; and how to address the "doughnut hole" gap in prescription drug coverage are three top issues. Instead of a formal conference committee, the process will involve leaders shuttling the measure back and forth, until both chambers have agreed to the same text. Democratic leaders believe that many Senators and Representatives would use a formal conference to delay, not improve, health care reform. Both the House and Senate bills provide more affordable coverage for retirees and seniors. They each provide cost relief for early retiree coverage: a new re-insurance program will pick up 85% of the cost of treatments between \$15,000 and \$90,000 for retirees ages 55-64. They also offer a \$500 immediate increase in the Medicare drug allowance; a phased closing of the doughnut hole, during which seniors have to pay 100% of drug costs; and a 50% cut in the price of brand name drugs for seniors in the doughnut hole until the gap is eliminated. On Monday, the Alliance signed onto a letter from the Leadership Council of Aging Organizations, a broad coalition of seniors groups, urging Senators to close the gap as quickly as possible.

Both bills would also contain costs in a variety of ways. For instance, they would reduce over-payments to private Medicare Advantage plans by \$135-\$170 billion over ten years; eliminate co-payments for preventive care, thereby lowering the odds of a more expensive, catastrophic illness down the line; and ultimately reduce the federal deficit by approximately \$130 billion over ten years. Both bills prohibit denial of coverage or higher rates due to pre-existing conditions and ban annual or lifetime limits on claims payments by insurers. They also reduce age-based variation in premium rates. Differences between the bills include whom to tax and how many people to cover. The Senate wants to tax higher-end health plans valued at over \$8,500 for most individuals and \$23,000 for couples, raising \$150 billion. For retirees, the amounts are higher: \$9,850 for individuals and \$26,000 for family coverage. However, the House wants to increase income taxes on the wealthiest Americans – a plan the Alliance considers fairer. "While the final version is unlikely to include all that we have been fighting for, I believe our grassroots efforts have helped immensely in building political support," said **Barbara J. Easterling**, President of the Alliance.

## Alliance in New England: Help with Hearing Aids in NH, Health Care Panel in Conn.

The New Hampshire Alliance for Retired Americans celebrated on Wednesday as the 400-member NH House voted to require insurance companies to cover part of the cost of hearing aids. HB 561 requires state-registered insurance companies to cover \$1,500 of hearing aid expenses over three

years. With the most effective devices costing up to \$5,000 each, the NH Alliance had worked for months to pass the bill. Medicare does not cover hearing aids, meaning many seniors on fixed incomes use ineffective hearing aids or go without them. NH Alliance President **Charlie Balban** said, “It’s so important that we give seniors the opportunity to hear properly. Hopefully the state Senate will pass this much-needed bill.”

Yesterday in Hartford, Connecticut, a “Seniors to Seniors” coalition gathered at a local restaurant to discuss health reform implications for seniors. Over 150 seniors heard from expert panelists, including Connecticut Alliance field organizer **Mary Elia**.

### **Linda Chavez-Thompson is Running for Lieutenant Governor in Texas**

This past Monday, **Linda Chavez-Thompson** announced that she is running for the Democratic nomination for Lieutenant Governor of Texas. She served as Executive Vice-President of the AFL-CIO from 1995 until 2007 and is Vice Chair of the Democratic National Committee.

### **New Presidents for Maryland-DC and Puget Sound Alliance Chapters**

**Maria Cordone**, who gave 41 years to the International Association of Machinists and Aerospace Workers (IAMAW) in a variety of roles - including the last 12 years as director of the IAM Community Services & Retirees Department, before retiring at the end of 2009 - has been elected new President of the Maryland-DC Alliance. In addition, **Robby Stern** was elected to a two-year term as Puget Sound Alliance for Retired Americans (PSARA) president on December 17. An activist in labor and social justice issues for more than 40 years, Stern chaired the Healthy Washington Coalition for six years until last month and served on the PSARA Executive Board.

### **Former NCSC President Eugene Glover Passes Away**

**Eugene Glover**, 86, President of the National Council of Senior Citizens for five years beginning in 1989, died in Ellicott City, Maryland on December 18 of complications from diabetes. He had been Secretary-Treasurer of the IAMAW beginning in 1989. “Gene was pivotal in influencing **President Clinton** to launch the campaign for national health care coverage in the 1990’s, and he was a warrior in the fight against **Newt Gingrich** and **Bob Dole** to preserve Medicare,” said **Edward F. Coyle**, Executive Director of the Alliance. “He will be missed greatly.”

### **Sign Up Now for the Alliance’s National Convention in Las Vegas**

Mark your calendar for April 5-8, 2010 to attend the Alliance’s National Convention in Las Vegas. Details about the conference are posted on the Alliance’s home web page, [www.retiredamericans.org](http://www.retiredamericans.org); to learn more, simply click on “2010 National Convention” or go to <http://bit.ly/1jIzz2>. Register for the convention directly from that page or by calling 1-888-373-6497. We will have workshops and training sessions to strengthen our organizing and advocacy skills, and will hear from leading experts in public policy, health care and aging, and the media. Alliance members will elect a president and secretary-treasurer, and community members will elect six community-based board members. Hotel reservations must be made by contacting Bally's Las Vegas directly at 1-800-358-8777.