

FRIDAY ALERT



Alliance for Retired Americans

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

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

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Insurance Premium Increase of 39% in California Adds to Health Reform Urgency

The health care problem remains on the center stage now that Anthem Blue Cross of California has unveiled rate increases of up to 39 percent for its 800,000 individual policyholders. The increases, which will take effect on March 1, far outpace the increases of 10 to 25% seen in previous years among most insurers offering individual policies. *Kaiser Health News* and *The San Diego Union-Tribune* report that as the economy slowly recovers, health insurance costs for those with individual policies continue to increase due to larger numbers of unemployed and those relying on government health care programs. As a result, “hospitals and doctors are passing on more of their uncompensated costs to patients with private insurance.” *The San Francisco Chronicle* adds that “California physical, occupational and speech therapists are also taking issue with Anthem. The therapists said the insurer cut their reimbursement rates by 30 to 50% on February 1. In addition, the *Chronicle* reports that patients covered by other health insurers, including Health Net and Aetna, are reporting being hit with sky-high increases. “This is exactly the kind of news that proves we need health care reform immediately,” said **Barbara J. Easterling**, President of the Alliance.

Social Security Trust Fund Analysis: Need to Look at the Long Term

Social Security took in only \$3 billion more in taxes last year than it paid out in benefits — a \$60 billion decline from 2008, according to federal data. The recession is blamed in part, as it added to the hundreds of thousands of workers retiring or claiming disability. *USA Today*, using Congressional Budget Office numbers, reports that the impact of the recession is likely to reduce Social Security revenues again this year and next. The slide in revenues occurred sooner than Social Security actuaries had expected, for several reasons: Payroll tax revenue that was growing at a 4.5% average annual clip along with wages flattened out in 2009 because of rising unemployment and disappearing pay raises; the number of retired workers who began taking benefits increased by 20%; those taking disability jumped by 10%; and monthly Social Security benefits were raised 5.8% due to a spike in energy prices the year before. **Edward F. Coyle**, Executive Director of the Alliance, responded, “The overall surplus of the Social Security Trust Fund is still \$2.5 trillion; this is not a cataclysm. We must look at the financial picture of Social Security as actuaries do, over the long-term, which would be over a 75-year timeline. We cannot allow privatizers to use temporary recessions – even deep ones - to ruin the system that has worked for millions of seniors over several decades.”

Tax Advice for Seniors Available from Two Sources

Did you know that taking care of grandchildren and other dependents may entitle you to additional tax breaks? Or that many states, such as New Jersey and Pennsylvania, offer additional tax credits, tax breaks, property tax and rental rebates, and tax freezes for seniors? In some cases,

these tax breaks are refundable, which means you may be entitled to money back even if you don't owe any tax. Click on <http://www.walletpop.com/blog/2010/02/04/10-tax-tips-for-seniors/> and <http://www.unionplus.org/money/taxes> for additional tips. "Seniors might not be aware of all the tax breaks they are allowed under the law," said **Ruben Burks**, Secretary-Treasurer of the Alliance. "The rules change every year."

Neighbors Help Seniors Immensely During East Coast Blizzards

Across the East Coast and Mid-Atlantic region, family members, neighbors and volunteers have stepped in to help older people cope with cold homes, snowdrifts and empty cupboards during the recent blizzards. According to *The Washington Post*, one family waded through deep snow on an unplowed street in Maryland to get a man to a car that could take him to a hospital for dialysis. Many older people were thankful for conveniences unavailable in previous storms: assisted-living communities where some staff members stayed, sleeping on air mattresses, to keep services going; pharmacies and grocery stores with delivery programs; and neighborhood e-mail lists that made it easier to ask for help with shoveling or running errands.

Obituaries: Rep. John Murtha, Activist Beth Shulman

Rep. **John Murtha** (D-PA), a longtime defender of seniors and their programs on Capitol Hill, died of complications from gall bladder surgery on Monday. His funeral is next Tuesday. **Jean Friday**, President of the Pennsylvania Alliance and a Murtha constituent, said, "The unexpected death of Rep. John P. Murtha has shocked our nation, but especially Southwestern Pennsylvania, which he so ably represented for 36 years. Rep. Murtha established much of his legacy in Johnstown, where his home office was located. The people of this area will always remember his steadfast support of worker's rights, veterans' benefits, good health care, and the preservation of Social Security and Medicare. We shall miss him and we send our deepest sympathy to his wife and family." Rep. Murtha had a 97% lifetime score on the Alliance's voting record.

The Washington Post has reported that **Beth Shulman**, 60, a lawyer, author and union leader who fought for low-wage workers throughout her career, died on Feb. 5 of complications from brain cancer. She lived in Washington, DC. Ms. Shulman, former vice president of the United Food and Commercial Workers Union, wrote "The Betrayal of Work: How Low-Wage Jobs Fail 30 Million Americans" (2003), in which she argued that society pays no attention to many of the people upon whom it depends every day.

Education and Training Opportunities at the 2010 National Alliance Convention

The theme for the 2010 Alliance National Convention, April 5-8 in Las Vegas, is "Building Retiree Power." One workshop offered will be, "Organizing Strategies Around the 2010 Elections." In this breakout, you will learn more about the Retiree Zone Coordinator structure to educate and mobilize fellow retirees. Also offered: "Everything You Wanted to Know About Computers, But Were Afraid to Ask." Our team of experts will answer any question you have about using e-mail or the Internet, signing up for Facebook, or sending and receiving photos. To register, go to <http://bit.ly/1jIzz2>.