

FRIDAY ALERT



Alliance for Retired Americans

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Senate Vote Strengthens Medicare

On July 9, the U.S. Senate voted to rescind cuts in Medicare reimbursements to physicians, scale back subsidies to private Medicare Advantage providers, and expand health care coverage for low-income seniors. Defying a White House veto threat, the Senate reversed a June 26 vote on the same issue. Senator **Arlen Specter** (R-PA) changed his vote, paving the way for other Senators to do the same. Earlier this week the *Pittsburgh Tribune-Review* published a letter from Alliance Regional Board Member **Carl Paulett**, chastising Specter for standing with big insurance companies rather than Keystone State seniors. Many Republicans opposed the bill because it would take away subsidies from Medicare Advantage private insurance plans. The vote on H.R. 6631 was 69-30, with Senator **John McCain** the lone absentee.

The roll call marked the return of Senator **Edward M. Kennedy** (D-MA), who is undergoing cancer treatments. “It is fitting that the first vote Senator Kennedy cast upon his return was in favor of a bill to strengthen Medicare,” said Alliance President **George J. Kourpias**. “Thanks to Senator Kennedy and his colleagues, physicians will continue to treat Medicare patients, low-income seniors will receive extra assistance with their health care costs, and Medicare Advantage programs will be reformed so that more money goes to seniors and not large corporations.” The bill has already been approved by the U.S. House of Representatives.

McCain Calls Social Security a “Disgrace”

In remarks at a July 7 forum in Denver, Senator **John McCain** called Social Security “a disgrace.” According to the *Washington Post*, McCain said “Americans have got to understand that we are paying present-day retirees with the taxes paid by young workers in America today. And that's a disgrace. It's an absolute disgrace, and it's got to be fixed.” Participating in a Democratic National Committee press conference, Alliance Executive Director **Edward F. Coyle** termed the remarks, “one of the most insensitive, anti-senior comments I have ever heard from a public official.” Also this week former senator **Phil Gramm**, a top adviser to McCain, told the *Washington Times* that the U.S. is a “nation of whiners” and that we are in a “mental recession” not an actual one.

Washington Post Spotlights Social Security Policy Choices

A front page *Washington Post* article contrasted the Social Security plans of Senators **Barack Obama** and **John McCain**. According to the article, McCain is considering raising the retirement age, reducing scheduled benefit increases, and privatizing the system through individual accounts. Obama, rejecting an increase in the retirement age, privatization, or a cut in benefits, pledges to tax income greater than \$250,000 per year at a rate of two to four percent to help fix Social

Security's projected shortfall. Currently, workers pay 6% in taxes on income up to \$102,000. "It is important that retirees spend the next few months learning more about the issues and where the candidates stand," said Alliance Treasurer **Ruben Burks**.

Cost Concerns Causing More Americans to Delay Medical Care

Worries about the price of health care are causing more Americans, including those with health insurance, to put off or even go without treatment. In a 2007 survey conducted by the Center for Studying Health System Change, about 20 percent of respondents reported delaying or forgoing medical care within the past year, a large increase from the 14 percent who did so in 2003. 69 percent of those who postponed care noted the cost of treatment as a factor. Additionally, while uninsured Americans reported the highest rate of not seeking care – 38 percent of those polled – the greatest increase of such cases was actually among those with health insurance; 17 percent of insured respondents said they did without, up from 11 percent previously. Reasons for such cost concerns among the insured may have included high deductible and other out-of-pocket costs rising in step with skyrocketing health care prices.

Rising Gas Prices Have Forced Cuts in Aid to Older Americans

On July 5, *The New York Times* reported that soaring gasoline prices have caused elderly support agencies to make cuts to programs like Meals on Wheels, transportation assistance and home care. Agencies in rural areas have found difficulty in recruiting and keeping volunteers because those agencies rely on volunteers to provide their own gas. Furthermore, there is a shortage of home aides because those jobs have low pay and require long drives. Instead, many potential home aides have decided to enter the nursing home industry. To make matters worse, many rural older people not only will be deprived of the nutritional value of home delivered meals, but also the benefit of having someone from the outside world regularly checking up on them.

Florida Alliance Rallies for Health Care

On Thursday, the Florida Alliance for Retired Americans was represented at three health care rallies across the state. FLARA President **Tony Fransetta** addressed attendees at a rally sponsored by a coalition of community groups in Palm Beach County, FLARA Secretary **Barbara DeVane** collaborated with state AFL-CIO leadership and community groups to host a successful health care event in Tallahassee, and in central Florida, field organizers represented the Alliance at a community coalition sponsored gathering. To let the national Alliance know about success stories from your state, email ARAFRIDAYALERT@retiredamericans.org.

Did You Know...

Centers for Medicare and Medicaid Services (CMS) figures show that about 26% of a typical Social Security check goes to Medicare premiums, drug coverage, co-payments, deductibles and other costs related to the program (*USA Today*).