

FRIDAY ALERT



Alliance for Retired Americans

815 16th Street, NW, Fourth Floor • Washington, DC 20006
202.637.5399 • www.retiredamericans.org • arafridayalert@retiredamericans.org

July 18, 2008

President Vetoes Medicare Bill; Congress Quickly Overrides

Tuesday, President Bush vetoed H.R. 6331, the “Medicare Improvements for Patients and Providers Act of 2008”. Congress quickly acted to override the veto; the House voted 383-41 (Roll Call No. 491) for the override, while the Senate voted 70-26 (Record Vote No. 177), with both chambers achieving more than the two-thirds required to pass Public Law No: 110-275. 153 Republican Representatives defied the Bush Administration to vote for the bill’s passage, 24 more than for the legislation’s initial passing on June 24; 4 additional Republican Senators also voted yes. Complete results of the House override vote are available at <http://clerk.house.gov/evs/2008/roll491.xml>, and the full the Senate results can be found at http://www.senate.gov/legislative/LIS/roll_call_lists/roll_call_vote_cfm.cfm?congress=110&session=2&vote=00177.

Alliance members sent thousands of letters to Congress and submitted dozens of letters to the editor to ensure physicians continue to treat Medicare patients, low-income seniors receive extra assistance with health care costs, and Medicare Advantage programs will be reformed so that more money goes to seniors and not large corporations through the passage of H.R. 6331.

“Through his misguided veto of the Medicare bill, **President Bush** once again reflexively sided with the special interests of the big insurance companies, rather than with seniors struggling to afford quality health care,” said Alliance President **George J. Kourpias**. “Thank you to all of the Alliance members who have tirelessly worked this past year to make sure your members of Congress knew how important this bill was, and that we will continue to watch them closely.”

Patients Buying Fewer Prescription Drugs

The growth in prescriptions filled by U.S. pharmacies is at its slowest in at least ten years, as increasing health care costs and a slowing economy are making medication harder to afford. According to a recent *Wall Street Journal* article, the drug industry usually remains stable in economic downturns, because patients still require medicine. However, the number of prescriptions filled in the second quarter of 2008 may have actually decreased, due to higher numbers of Americans without health insurance and “skyrocketing out-of-pocket drug costs” putting the cost of some medications out of reach. Patients are facing additional burdens as the health care industry has forced consumers to shoulder larger percentages of many costs. A Kaiser Family Foundation study found that for a “preferred drug” through a tiered insurance plan, average co-payments rose 67 percent from \$15 in 2000 to \$25 in 2007. In fact, 23 percent of respondents to a Kaiser foundation poll failed to fill a prescription in the last year for cost reasons, up from 20 percent in 2005. Additionally, 19 percent either skipped doses or split pills, an increase from 16 percent in 2005.

Late Baby Boomers' Retirement May Be Hurt by Housing Market Collapse

In the face of proposals to cut or delay benefits for Social Security and Medicare, the Center for Economic and Policy Research (CEPR), a nonpartisan think tank, warns Congress should “take into account the financial situation of near retirees” who could be almost completely dependent on Social Security and Medicare benefits to support their retirement. According to a CEPR report, due the collapse of the housing bubble the majority of people who were between the ages of 45 and 54 in 2004 will accumulate little or no wealth by 2009. The CEPR looked at three scenarios in which 2009 housing prices remained the same, dropped 10 percent, or dropped 20 percent; even when prices remained the same, the median household would have 24.7 percent less than in 2004. In contrast, those who rent their homes will have more in 2009 than in 2004 in all three scenarios. The combination of the destruction of housing wealth with a low personal savings rate may leave many near retirees completely reliant on Social Security and Medicare benefits during retirement. “With the economy slowing, it is more important than ever to ensure Social Security and Medicare remain strong and available to retirees as they were intended to be, rather than tools of private companies left to the whims of the markets,” said Alliance Executive Director **Edward Coyle**.

U.S. Health Care System Falls Short

According to a report released this week by the Commonwealth Fund Commission on a High Performance Health System, a nonprofit research group in New York, U.S. health care is the most expensive in the world, but does not meet critical benchmarks for quality, access, and other major performance measures. While America spends twice as much per capita on health care, it ranks lower than most other industrialized nations on numerous indicators of overall care; the U.S. score averaged 65 out of 100 over 37 categories, and fell to last for “preventing deaths through use of timely and effective medical care.” As health care costs increase and even the insured face medical bills they cannot afford, Americans also have less access to care than they did a year earlier – an estimated 75 million people in the U.S. have either no or inadequate health insurance. “As rising costs make care even harder to afford, we must work even harder to achieve a universal health care system,” said **Ruben Burks**, Secretary-Treasurer of the Alliance.

Alliance Partners with Caregiver Resource

The Alliance has joined with Aging with Grace, a national eldercare resources company, to bring members a solution to their eldercare issues. An experienced Aging with Grace Eldercare Specialist can educate you on the eldercare options that are most appropriate for your family or loved one, coordinate contact between you and those resources, and facilitate the initiation of services such as in-home care, adult day care or respite care or referral to a senior living community. They help identify where you are in your current caregiver situation, where you need to be and then work to get you there! To learn more about Aging with Grace, visit www.agingwithgrace.net or call toll free 866-570-8588.

Did You Know...

Several recent studies indicate that older Americans are generally happier than younger ones (*The Washington Post*).

This message is being sent to you as a member of the Alliance for Retired Americans. The Alliance is a nationwide membership organization organized under Internal Revenue Code 501 (c) (4) and dedicated to educating all Americans about and advocating on behalf of retirees and seniors. The Alliance is responsible for the content and has paid all costs associated with the preparation and distribution of this message.