

FRIDAY ALERT



Alliance for Retired Americans

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Moves to Expand Social Security Benefits Gain Traction in the Senate

After decades of attempting to cut Social Security, members of Congress are beginning to devote their efforts to expanding Social Security benefits, and the effort is gaining traction.

Senators **Bernie Sanders** (I-VT), **Elizabeth Warren** (D-MA), and **Joe Manchin** (D-WV) have supported legislation that expands Social Security benefits for retirees and ensures the solvency of the program in the long term. These plans increase benefits to most retirees by about \$800 per year and lift the cap on Social Security contributions above the current \$118,500. These attempts have so far failed to move forward with Senate Republican leadership, though they have gathered widespread Democratic support.

Paul Krugman wrote about the issue in today's *New York Times* (<http://tinyurl.com/l2m3osa>), saying, "This is a welcome development in two ways. First, the specific case for expanding Social Security is quite good. Second, and more fundamentally, Democrats finally seem to be standing up to antigovernment propaganda and recognizing the reality that there are some things the government does better than the private sector."

Richard Fiesta said "We're delighted that Congress is hearing our message and support is building to expand Social Security. We have to continue to fight to expand earned benefits and put pressure on all members of Congress to support improved retirement security."

Mother Jones also wrote about the issue at <http://tinyurl.com/o9rwcbr>.

SGR Bill Disallows Federal Health Standards to be used in Malpractice Cases

The recently passed House bill replacing the Medicare "Sustainable Growth Rate" includes provisions that provide doctors with stricter protections against malpractice lawsuits. These provisions, which went largely unnoticed before passage, disallow the quality-of-care standards used by Medicare, Medicaid, and the Affordable Care Act to be used in these malpractice cases.

Tom Baker, a professor and an expert on insurance law at the University of Pennsylvania, said the provision of the bill barring lawsuits based on federal guidelines "does not make any sense."

"Why wouldn't you want to take these guidelines into consideration?" Mr. Baker asked. "They indicate what a reasonable doctor does and should do."

“This is another attempt by the House majority to weaken the Affordable Care Act,” said **Ruben Burks**, Secretary-Treasurer of the Alliance. “We will work to try to amend this language in the Senate bill.” More at: <http://tinyurl.com/leot3jw>.

Postal Banking: Fiesta’s Letter to the Editor in *The Washington Post*

Nearly 100 million Americans do not have access to traditional banks or are underserved by them, leaving them at the mercy of predatory lenders. Payday loan sharks are charging annual interest rates of upwards of 400% and put these “unbanked” Americans at risk. This risk is particularly high for seniors. Mr. Fiesta advocates for postal banking in a *Washington Post* Letter to the Editor this week. He writes that postal banking is a practical, public, and easily accessible alternative for financial services, that its business model protects customers from abusive practices and that it makes financial services accessible and trustworthy. Read the piece at <http://tinyurl.com/lxvvuw7>.

Trans-Pacific Partnership Deal would Likely Raise Prescription Drug Costs

The coming Trans-Pacific Partnership Trade Deal (TPP) has left many retirees concerned that their prescription drug costs will increase if a deal passes. TPP will likely limit the ability for the federal government to regulate drug prices and restrict competition from generic drugs. Moreover, “fast-track” legislation for TPP would, if passed, bring the agreement up for a vote without an opportunity to amend the agreement.

At the recent Alliance Convention in Oregon, Fiesta said, “Americans already pay the highest prescription drug prices in the world. Seniors have a huge stake in this trade deal.”

The Alliance encourages members to call their member of Congress to express their opposition to the trade deal. More from *NW Labor Press* at <http://tinyurl.com/m334h9k>.

Rep. Lois Capps Will Not Run for Reelection

On Wednesday, Rep. **Lois Capps** (D-CA) announced her plans to retire after seventeen years of service in the U.S. House of Representatives and a lifetime 98% voting record score with the Alliance for Retired Americans (<http://tinyurl.com/kxfrped>).

Barbara J. Easterling, President of the Alliance, said that, “Lois Capps was one of our strongest advocates in the House on retiree issues. We thank her very much for her devotion to seniors during her time in Congress and wish her the best of luck in her retirement.”

A 2008 poll conducted by the Washingtonian magazine named Capps the “nicest” lawmaker on Capitol Hill. Her retirement will leave an open seat in her Santa Barbara-area district, which generally leans Democratic. More from *The Hill* at <http://tinyurl.com/mmg27fq>.

Medicare Turns 50: Medicare Protects Retired Service Members

Upon signing the bill that created Medicare in 1965, President **Lyndon Johnson** said:

“This is an important hour for the Nation, for those of our citizens who have completed their tour of duty and have moved to the sidelines. These are the days that we are trying to celebrate for them. These people are our proudest responsibility and they are entitled, among other benefits, to the best medical protection available.”