

FRIDAY ALERT



Alliance for Retired Americans

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October 16, 2015

Spanish version: www.alianzadejubilados.org

SSA Announces 0% COLA in 2016, Triggering Major Cost Increases for Medicare Beneficiaries

Social Security Administration (SSA) officials announced on Thursday that there will be no cost-of-living adjustment (COLA) for Social Security beneficiaries in 2016.

The announcement is particularly troubling because it triggers a premium spike and a major increase in deductibles for Medicare beneficiaries. If Congress does not act soon, the Medicare Part B premium could increase by 52%, to \$159 per month, for 30 percent of people with Medicare. Deductibles could increase to \$223 for every person with Medicare.

“We are extremely disappointed about the Social Security COLA announcement,” said **Robert Roach, Jr.**, President of the Alliance. “We will take immediate action to limit the damage by addressing the effect the news will have on Medicare beneficiaries.”

The Alliance has already begun taking action to deal with the issue as it relates to Medicare. A petition urging Congress to address the matter has gathered more than 100,000 signatures. Alliance members are also asked to contact their Members of Congress directly and urge them to support the Medicare Premium Fairness Act of 2015 (S. 2148 and H.R. 3696), recently introduced by Sen. **Ron Wyden** (OR) and Rep. **Dina Titus** (NV).

[Click here to email your members of Congress and tell them to support the Medicare Premium Fairness Act of 2015, which would prevent massive Medicare increases in 2016.](#) This bill will prevent next year’s massive spike in out-of-pocket Medicare expenses for seniors and people with disabilities.

Virginia Alliance President **Ron Thompson** is quoted in a [New York Times](#) story about the issue. It’s just the third time in 40 years that payments will remain flat, and all three times have come since 2010. The main reason for no increase next year is low gas prices. For more information about how this may affect you, watch this previously recorded [online chat](#) that the Alliance, Medicare Rights Center and Social Security Works held on Thursday to address the issue.

Republicans in U.S. House and Senate Plan Ways to Cut Social Security, Medicare and Medicaid

Treasury Secretary **Jack Lew** said on Thursday he now estimates that “no later than” November 3, Treasury is likely to exhaust the accounting measures that are keeping the country’s debt below its legal limit. Late last week, *Politico* published the conservative House Freedom Caucus [“questionnaire.”](#) which seeks a commitment from the next House speaker to tie any increase in the debt ceiling to cuts to Social Security, Medicare and Medicaid.

[CNN reported](#) on Tuesday that Senate Majority Leader **Mitch McConnell** (R) wants significant changes to Social Security and Medicare in exchange for raising the debt ceiling and funding the government. Several people familiar with the high-stakes fiscal negotiations said the Senate majority leader's staff is trying to drive a hard bargain in the private talks with the White House and Democratic leaders.

“Republican Senate staff are using the debt ceiling as leverage to cut Social Security and Medicare, and Republican members of the House are using the race for speaker to do the same,” said Alliance Secretary-Treasurer **Joseph Peters, Jr.**

First Democratic Debate Touches on Expanding Social Security

The 2016 contenders for the Democratic Party’s nomination for U.S. President held their first debate on Tuesday night, and expanding earned Social Security benefits came up briefly with former Secretary of State **Hillary Rodham Clinton** and Sen. **Bernie Sanders**. Reporter **Michael Hiltzik** wrote in the [Los Angeles Times](#) that Clinton was right to state that many widowed and single women didn't make a lot of money during their careers and need more help from the Social Security system. Hiltzik also noted that Sanders and former Maryland Governor **Martin O'Malley** have come out explicitly for raising the tax cap and increasing benefits for all retirees.

“There was a notable difference from the first Republican debate when Social Security came up during this week’s debate,” said Alliance Executive Director **Richard Fiesta**. “For instance, during the Republican debate, New Jersey Governor **Chris Christie** said he was in favor of raising the retirement age for Social Security, which would reduce benefits for millions of older Americans.”

Washington State Alliance, APWU Hold Conventions



Photo courtesy of staff of Rep. Adam Smith

On Wednesday, Mr. Fiesta was in Federal Way, Washington for the Washington State Alliance Convention, where he provided a national update and elaborated on the Alliance's work to stop the Trans-Pacific Partnership trade deal. **Jackie Boschok** was re-elected as state president at the convention and **Jim Bradley** was re-elected as Treasurer. **Kathy Wallentine** was elected Secretary after previously being appointed to fill the rest of the current term.

Other speakers included U.S. Rep. **Adam Smith**; State Rep. **Carol Gregory**; **Lynne Dodson**, Secretary-Treasurer of the Washington State Labor Council, AFL-CIO; and **Lacy Crawford** from Social Security Works.

Last Saturday, Mr. Fiesta was in Las Vegas, Nevada for the American Postal Workers Union (APWU) Retirees Educational Conference.

The Alliance for Retired Americans is a national organization that advocates for the rights and well-being of over 4.4 million retirees and their families.